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THE BUSINESS WEEK

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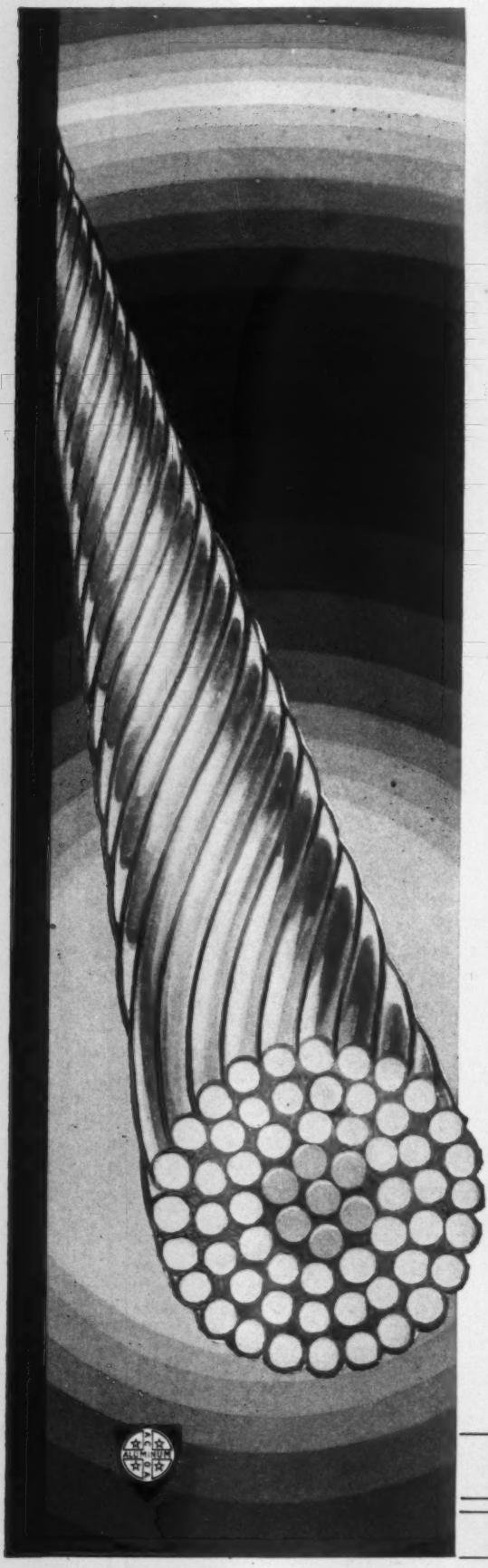

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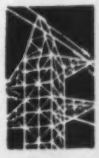

ALUMINUM CABLE
STEEL REINFORCED

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The Business Week

WITH WHICH IS COMBINED THE MAGAZINE OF BUSINESS

A JOURNAL OF BUSINESS NEWS AND INTERPRETATION

COVERING EVENTS OF THE WEEK

ENDING DECEMBER 21, 1929

Business Outlook—Rainy, Continued Cold

THE business weather signs for the week show conditions about what might be expected for the season and in view of events during the past two months. Industrial activity and general trade are running below last year, but the contraction in industrial activity seems so far to have been more marked than that in retail trade. The last two weeks of the year are usually a very slack period in most basic industries, because of year-end shutdowns for inventory purposes. Holiday trade is reported generally to be about on a level with last year in volume, but with considerable shift in character of purchases.

Slowing up is most evident among wholesalers and jobbers who are hesitant about placing orders because of uncertainty regarding the prospects of retail trade throughout the country in the next few months.

Easier money conditions are apparently spreading somewhat into the interior, which will be helpful if the smaller country banks respond by availing themselves of more abundant credit which Federal Reserve policy is making possible. The outflow of gold, however, creates some uncertainty as to the prospects of further reduction in rediscount rates.

Steel Moves To New Conquests

STEEL is moving fast; moving into new territory; moving into bigger combinations. United States Steel recently acquired the $40,000,000 Columbia Steel Company of California. It has just taken over Atlas Portland Cement Company, largest in the field. Bethlehem has joined the march to the Pacific Coast; now has two plants there. And Cyrus S. Eaton of Cleveland has this week put together that merger of mid-western steel interests on which he has been working for years.

His new Republic Steel Corporation comes out of the planning stage third largest steel organization in the country, more than half the size of Bethlehem. It has prospects of further accretions that may nearly double its present $350,000,000 holdings. And a giant merger with Bethlehem itself is not beyond the bounds of what some observers call possibilities. If that comes, the remaining small independents, already hard-pressed, must indeed fight for their lives.

The mid-west merger centers on Republic Iron & Steel Company. It includes Central Alloy Steel Corporation, Donner Steel, Inc., Bourne-Fuller Company and all their subsidiaries. Present indications are that before Youngstown Sheet & Tube Company holds its annual meeting in May, 1930, it will have enveloped Inland Steel Company and that both will have gone into Eaton's greater Republic.

Reports that count in McKinney Manufacturing Company and Otis Steel Company are discounted. Cleveland Union Trust interests, said to be strong in both, the Van Sweringens in the latter, are not likely to tie up with the Eaton-Mather-Hanna group.

Plants of the new company dot the map at 14 points from Brooklyn to Chicago, from Detroit to Birmingham. They list 14 blast furnaces, 65 open hearth furnaces, 633 coke ovens, 17 rolling mills, 158 finishing mills. They are served by company-owned iron mines in Michigan, Wisconsin, Minnesota, Alabama; coal mines in Ohio, Pennsylvania, Alabama; limestone deposits in Alabama. They make virtually all types of finished and semi-finished steel products.

Republic Iron & Steel Company is itself a self-contained, vertically integrated enterprise with ore and coal mines, blast furnaces, rolling mills, finishing plants and two by-product coke and benzol plants. Central Alloy contributes what is apparently a close working agreement with Krupp interests and a license to manufacture and sell Krupp-designed products such as Nitralloy, Nirosta, tungsten carbide cutting tools, one of the few in the United States. Donner and Bourne-Fuller, smaller, round out mining, producing and distributing facilities.

Forward to Wall Street!

CONGRESSIONAL threats to launch an extremely broad investigation of all matters financial came measurably closer to enactment this week. The Senate banking and currency committee agreed to take up consideration of the 2½-year-old King resolution immediately after the holidays, on January 6. This resolution, introduced in May, 1927, reintroduced in June of this year, provides for an investigation of the Federal Reserve system, the stock exchange, branch banking and "other matters too numerous to mention."

It now looks as though this long-delayed measure, or something very much like it, will be reported favorably by the committee and passed by the Senate. In the House matters have not become so definite. But, with Representative Strong charging that the House banking and currency committee is being "packed" with branch banking advocates, Chairman McFadden now indicates a strong interest in doing something. And demand for an investigation is backed by the administration; was called for in the President's and Secretary Mellon's reports. However, these officials would prefer to narrow the scope of such action.

Investigation can be of real benefit —if a real investigation is carried out. Browbeating and denunciation will only make a dangerous situation more dangerous. But, as everyone admits, the acquisition of more complete information as to Federal Reserve policies and actions, as to stock exchange operations and banking consolidation developments would be universally welcomed. In no other way can it be obtained. Congress thus has a real opportunity if it can but grasp it.

But too much immediate significance can be attributed to such a move. Unlimited investigation is an unsettling factor. Likelihood of legislation at the present session is remote. The very bulk of the matter makes early action impossible. Further, Congress faces elections next fall; members are anxious to get back to political fence-mending after long, tiring months of debate.

Thus accumulation of information, formulation of definite views and policies is about as much as is expected by the optimists who assume that the investigation will be constructive. There is hardly time to draft and debate legislation.

The committee at its meeting this week reported favorably to the Senate several minor Federal Reserve act amendments. Most important was one granting permission for state banks members of the Reserve system to have foreign branches, ironing out the difficulties raised by Attorney-General Mitchell's adverse opinion last October.

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The Grain Men Show Fight

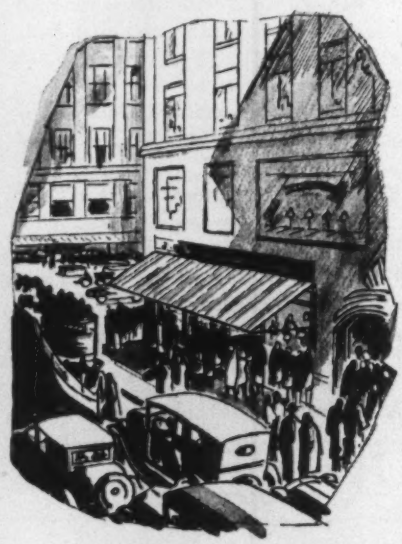
THE grain trade, which lay low until quite sure what the Farm Board was about, now is fighting for its life. Moreover, it is winning early skirmishes.

Part of the story emerged when Julius H. Barnes was examined by a Senate committee. Mr. Barnes is a grain exporter. His business is affected little by Farm Board policies. Naturally enough, however, the grain trade turned to him as a natural friend and ally.

So he brought about a meeting of grain commission men with Chairman Legge. The grain men vigorously protested they were citizens of the United States, too. They objected to the government's taking their tax money and lending it to competitors at 3½% to buy grain, while they, the dealers, borrowed from banks at 6%.

Mr. Legge agreed that was unfair; said the Board would stop it.

Congress, however, has stipulated the 3½% rate. The Board will get around this, it appears, by lending to central co-ops at 3½%. They will lend to local co-ops at 3½%—with a service charge of 2½% on top of it. That makes a nice profit for the central co-op, which it can eventually distribute down the line to all co-op members.



The benefit to the grain trade seems to be that it can bid as high for grain grown by non-members as the co-ops can bid. But the co-op can promise a rebate to good boys who join up.

Mr. Barnes' attitude toward the Farm Board has been described as "friendly." That is a superficial view. What he said, in effect, was that Mr. Legge was a gentleman and scholar, Congress meant well, the Board meant well, doubtless it could be helpful—but the idea of using government funds to force farmers into co-operatives was all wrong.

In other words, he liked everything but the fundamental idea.

Mr. Barnes' opinion is important enough; so is that of the U. S. Chamber of Commerce, which issued a long statement supporting the same thesis. Most important, however, is the fact that both undoubtedly voice the opinion of large numbers of business men.

The Board is in for trouble. True, it merely is carrying out the plain intent of Congress. But it is the Board that will have to fight the battles which certainly are ahead, as opponents of the farm policy muster strength and gather courage.

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To Lower the High Cost of Changing

INDUSTRIES puzzled by the problem of how to prevent the economic losses that take place when mergers or other changes in structure and alignment throw valuable men out of service may see a solution in the newly established personnel interchange bureau of the Associated Grocery Manufacturers of America.

Changes in food distribution are displacing experienced salesmen and sales executives whom the food industry can ill afford to lose even during a short readjustment period. The personnel interchange bureau has been designed to limit both in extent and duration the disturbance to private and industrial interests caused by such changes. Good men who need jobs, good jobs that need men will both be routed through it.

Hand-to-Mouth Buyers Acquitted

IF hand-to-mouth buying, headlined feature of our post-war distribution system, has increased marketing costs, it has more than made up by reducing capital tied up in inventories. This is the conclusion of an exhaustive analysis of a decade of hand-to-mouth buying by Dr. Everett S. Lyon of the Brookings Institution, Washington.

Actual case studies showed another compensation. If buyers make out fewer advance orders, they buy more uniformly throughout the year; if they order in smaller quantity, they often buy more in the aggregate.

Ingenious and frequently excessive lures have been used to tempt customers back into the quantity-purchase fold; have generally failed. Even steel is on a hand-to-mouth basis. Consumer buying has been least affected, but housewives do not stock their pantries as they used to a decade ago.

Dr. Lyon traced hand-to-mouth buying back to 1839; the phrase itself to 1868. A post-Civil War wave lasted to 1897. But present hand-to-mouth buying is less risky, less costly, because of present speed and dependability of modern transportation. Mass distribution is now on a "moving platform."

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Ammunition for Group Bankers

GROUP banks can earn more money than the same banks as independent institutions, says the Northwest Bancorporation. Proponents of a change in the banking laws will be quick to seize the material offered by the first report of one of the new systems.

The institution was founded in January of this year. In the first ten months of existence its 5 banks became 82 in 69 cities, with resources of $462,000,000. In the period it earned $4.40 a share on the 1,422,000 of $50 par shares outstanding. This is an earning rate of 8.8%, and is 2½ times the dividend rate of $1.80 annually.

That earnings of the banks as a group are above the average of the same banks operating as individual institutions, is due, says the corporation, to the opening of new revenue channels with extension of trust and security departments and mobility of credit.

"Abundant evidence is available to show that the group banking plan is gaining favor and indications are that, in the absence of legalized branch banking, this development likely will continue," says E. W. Decker, president of Northwest Bancorporation. "With the increase in wealth in the United States and the growing importance of this country as a world banker, it is quite apparent to advance thinkers that the United States must marshal its banking resources into larger and stronger units."

In the eight states in which it operates, Northwest Bancorporation now has in its resources an average of 9.2% of all the banking resources. In Minnesota it now controls 22.6% of all banking resources, 14.8% in South Dakota, 12.8% in North Dakota, 8.1% in Nebraska, 5.6% in Iowa, 9.9% in Montana, 2.5% in Washington and 0.9% in Wisconsin.

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The Railroads' Part In American Life

HOW great a part railroads play in business is strikingly shown in figures made public by W. W. Atterbury, president of the Pennsylvania. He points out the following:

Railroads in the United States represent an investment of about $25,000,000,000. Railroad securities in the hands of the public total $18,500,000,000. About 1,700,000 persons are employed, being paid annually $3,000,000,000. Taxes paid to the states and the federal government total $365,000,000 a year. Operating revenues for the last few years have averaged about $6,000,000,000 annually. Nearly 25% of this total, or $1,500,000,000 is annually returned to industry and business through purchase of supplies.

Which Are We Chiefly— Producers or Consumers?

THERE may be more significance than is made apparent by its terms in a tariff bill amendment, adopted by the Senate, providing for a consumers' counsel, at $10,000 a year, as an adjunct of the Tariff Commission, "to appear in the interest of the consuming public in any proceeding before the commission and to conduct such independent investigations in matters relative to the tariff laws of the United States as he may deem necessary . . . to enable him properly to represent the consuming public."

This federal official will be, in tariff matters before the Tariff Commission, comparable to a public defender in the courts. He may be considerably more; depending on the man who holds the job. He may handle the place in a merely routine way, in which case he will justify the "cynical vote" cast for the amendment by Senator Reed of Pennsylvania, who was of opinion that the job will amount to nothing. But if the holder fills the place in the manner expected by proponents of the amendment, the enterprise may prove to be of much importance.

In the tariff policies of this country—practically always, to at least some extent, protectionist—the "consuming public" has been an *x* factor. These policies have been based on the assumption that members of the public are both producers and consumers and thus are affected in two conflicting or contrary ways by tariffs—with the reservation, especially among outright protectionists that it is better to look after the interests of members of the public as producers. Only as producers has the public usually expressed itself directly as to tariffs. Rights given members of the general public as to, say, the administration of tariffs, have related in the main to their identities as producers.

The George amendment, adopted by an overwhelming vote in the Senate, is the first substantial recognition specifically of the consuming public in a tariff law. The interest of the public as consumers alone is opposed to all tariffs. Literally interpreted, the provision the Senate would put in the tariff law would require the consumers' counsel to oppose everything tending towards enhancement of duties and to favor everything looking towards reduction or complete removal of any duties. Essentially this counsel will be an official of the Government paid to oppose all tariffs so far as questions arise in Tariff Commission proceedings.

This may mean a turning away from the assumption that it is more important to serve producing interests than the consuming status of the public in framing tariffs—a turning that was the essence of the historic decision made nearly a hundred years ago by Great Britain.

Adoption of the consumers' counsel provision, like some other Senate actions on the administrative features of the tariff, lends support to the view of those observers who believe that this country's concept of the entire tariff problem is undergoing probably radical, and so far largely unconscious, change.

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Funds Shrink; Cuban Roads Gap

CONTINUED prosperity of Cuba, and fulfillment of the island republic's wish to substitute a solid, self-contained economic expansion for the uncertain wealth of the sugar fields, appears to depend largely upon the attitude of New York bankers. They have already advanced, since May, 1928, some $53,000,000 for public improvements, but only $7,000,000 remains. Asked to put up $65,000,000 more, the bankers are not responding with expected alacrity.

Cuba has only $29,000,000 in sight to complete all public works, and $18,000,000 of this must be raised by taxation. The central highway will cost $40,000,000, to say nothing of the works around Havana. If the banks fail to produce more money, Cuba will not only lose the influx of additional funds, but in December, 1930, must begin to repay what has been borrowed. It is possible that the central highway will remain unfinished, with gaps between completed sections. Curious financing methods of the government are held responsible for the situation.

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International Court Decides Financial Case

FOR the first time, the World Court at The Hague has put its finger directly on the business world—has decided a financial case. Finance is fertile ground for international complications; the court can find lots of work in the field it has chosen to enter.

It was a long-standing Franco-Brazilian dispute, which the French won. The amount involved was small, but the principle established affects huge sums.

France made large prewar loans abroad, especially to South American nations and states. The loans were made in 19.3 cent prewar francs. Came the war. When the tumult and shouting died, the French franc was finally stabilized at slightly less than four cents. Since that time the French have been seeking payment of interest on these prewar loans in gold francs of prewar value. The South Americans naturally want to pay in francs worth four cents instead of francs worth 19.3 cents. The Hague court decided the case against the South Americans.

The French do not mention the instances in which the cat has jumped the other way. Before the war, and in the earlier days of the war, France, its provinces, and companies, borrowed heavily abroad, especially in Great Britain. They sold bonds, some being franc bonds, some sterling bonds, some dollar bonds. For these bonds they received funds on the 19.3 cent value. In repayment, they are giving the four cent francs.

British investors were particularly unfortunate, holding franc bonds. American investors were particularly fortunate, holding mostly dollar bonds.

RECOGNIZED!

Textiles ► A New Weaver for the Tangled Cotton Loom

COTTON converters plan to incorporate another textile association and take up the universal question of trade ethics. The job is needed for the trade as a whole rather than for a single group, for the whole industry is sick, suffering from obvious wastes and inefficiencies. The Cotton Textile Institute has been able to take little constructive leadership because it represents too many groups and contains too many warring blocs that cannot unite on a program.

Members of none of the principal groups in the textile industry have been able to unite on a common scheme of betterment, largely because regional differences are too great. Mill owners in the southern states, where women and children work long hours for small pay, will not cooperate. The institute is thus restricted to such "safe" studies as its search for new uses for cotton. Moreover, southern mills are paternalistic, while northern mills are largely unionized, as a result of widely different philosophies of management.

Distribution remains in a chaotic condition. Other trades are discussing the possible elimination of the middleman, but the cotton industry continues to use many middlemen, and fights every attempt to do otherwise. Consider the tortuous path from the cotton producer to the consumer of one simple cotton article:

The producer contracts with an agent to sell for him. Agents do the selling through brokers. Converters buy through brokers. Then they send the goods to a finishing mill, on consignment, to be bleached or dyed. Then the converter cuts up the goods and sends them to sub-contractors to be sewed into form. Sub-contractors may send the goods out to clothing shops or make them up themselves. Meanwhile the converters are selling the goods through brokers to jobbers, mostly in New York. Then the jobbers, perhaps through brokers, sell to wholesalers all over the country. And the wholesaler sells to retailers, and finally the consumer gets a chance to buy. Instead of one middleman, six are used.

Each link in this chain is very jealous of its privileges and powers, and is constantly alert to fight any other link which threatens a change. Two years ago a converter undertook to eliminate some of the useless steps and do the work involved himself. He could have reduced the actual cost of the goods to the consumer, and avoided much unnecessary transportation, brokers' fees, and loss of time. But the remainder of the trade promptly attacked him in the courts. The courts held that the plan was legal, so the trade boycotted the converter. He was compelled to return to the old wasteful way of doing business.

Textiles ► Clearing House For Bad Buys

ESCAPE from the penalties of bad judgment in buying and in fashion forecasting is offered by a product of German ingenuity that is attracting the attention of American garment manufacturers. This is a cloth clearing house recently established in Berlin, in which overstocked manufacturers can deposit samples of cloth they want to unload, for inspection by other firms short of needed yardage. When "short" and "long" minds meet, a direct sale is effected under the benevolent supervision of the clearing house.

As a further aid to market rationalization the Association of German Women's and Girls' Coat Manufacturers purposes that no stocks of finished goods shall be maintained by association members.

RUBIO ARRIVES

President-elect Pascual Ortiz Rubio of Mexico, now on a visit to this country, stops at Houston, Texas, to confer with business and political leaders

Textiles ► Wants Hoover Help to Curtail Production

H. P. KENDALL, president of the Taylor Society and owner of cotton mills in the Carolinas, has asked President Hoover to take a hand in the textile situation and help the industry banish the bugaboo of over-production. Now, he believes, is the psychological moment for some such action.

For THE BUSINESS WEEK Mr. Kendall indicated three essential steps. First, reduction of hours at least to fifty a week; second, elimination of women and minors from night shifts; third, gradual elimination of the night shift. To take the third step suddenly would probably cause unemployment and hardship.

Retailing ► Ciphers Mean Nothing to Them

MATHEMATICAL illiteracy is to blame for retail failures in Philadelphia—probably in many other American cities. The certainty as to Philadelphia is established by a recent study of failures there undertaken by the United States Department of Commerce. It brought out the fact that many a store crash was signalled by figures that even a schoolboy should have recognized as significant and dangerous.

Where the earlier Louisville survey revealed bad credit practices as an outstanding cause of retail failure, the Philadelphia investigation found this cause less, replaced in importance by the inability of storekeepers to keep records or do simple accounting—all ammunition for those who urge manufacturers and wholesalers to feature accounting education in their dealer-air programs.

Shipping ► **Lake Freights Exceed Ocean's**

SHIPPING on the Great Lakes, which closed officially November 30 after a comparatively short season of less than eight months, aggregated almost 150,000,000 tons this year, more than twelve months' total freight across the Atlantic Ocean. Again the tonnage which moved through the Soo locks was greater than the combined tonnage through the Panama and Suez Canals. Approximately half of the lake tonnage was iron.

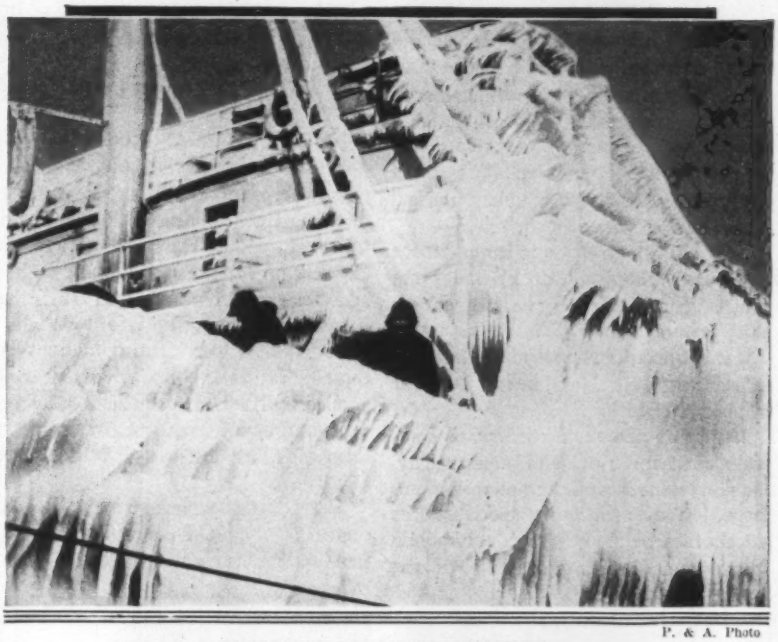
Commenting on these figures, J. R. Sensibar of Chicago, largest mover of sand on the lakes, said to THE BUSINESS WEEK:

"Water transportation is primarily bulk transportation. It is not, and never will be, of much importance in the domestic package freight business. The ultimate transportation system of this country will be one in which water is used as largely as possible for moving bulk commodities, with railroads serving as feeders. Railroads in turn will do most of the work of moving manufactured goods and package freight."

Keystone View

LESS WORK FOR SANTA CLAUS

So far as Captain W. A. Ross and all others aboard the round-the-world liner President Polk are concerned, "there ain't gonna be no Christmas." On December 24 they will cross the 180th meridian in the Pacific. The next day will be December 26



P. & A. Photo

COSTUME BY KING WINTER

The coal freighter William Stifel after battling her way through a northwester on the Great Lakes. More than 500 tons of ice clung to every portion of the ship above the water line when she docked at Milwaukee

Management ► **Five-Day Week Success In 68% of Plants**

OF 270 manufacturing establishments in the United States which operate on a five-day week basis, 6.4% find output substantially reduced; 25.4% report output proportionately less; 49% report no change; 19.2% obtain increased output.

These 270 plants, surveyed by the National Industrial Conference Board, employ 218,000 workers. Leaving out the plants of the Ford Motor Company, they average 155 employees. Building trades, not included, use the five-day week extensively. Total number of workers on short-week basis at beginning of 1929 is estimated at 400,000.

Non-continuous process industries favor the short week. Garment industries, printing and lithographing have widely adopted it. In many cases working hours have been rearranged so that total labor period is little less than for full week.

Social aspects are cited by some advocates of the short week. A more practical reason for its adoption is the relatively high overhead cost and low working efficiency of the Saturday morning operations.

The survey neither approves nor condemns the short week. It is not suitable for all operations; it has distinct advantages for others; it all depends on individual circumstances.

Production ► **Machine Age Has New Exemplar**

FIFTY tractors a day selling for less than $1,000 each, built in a new $2,000,000 plant equipped with most modern machinery and arranged for effective production—that is the story of the new Allis-Chalmers tractor plant at West Allis, Wis.

Similar in design to the old Fordson, these tractors are larger and more powerful. Motor and parts are purchased; castings are produced in a special tractor foundry; fenders, gas tanks and similar parts are manufactured in the sheet iron department of the main plant.

Assembling operations are concen-

trated at the new plant. With the aid of automatic, individual-motored machine tools, overhead mono-rail hoists and traveling cranes, low cost production of quality products is obtained. There is no accumulation of benches, odds and ends of equipment; there are no line shafts and belting to obstruct light; unusual quietness is obtained.

Special purpose, automatic equipment is featured. Batteries of machines are served by a single operator. Hydraulic and pneumatic chucks are common. There are no roller conveyors—parts are moved in the air singly, in tote boxes or by special clamps.

Industry's newest thrust toward complete mechanization and automaticity, the new plant is attracting attention and inspection of production specialists, as has the nearby A. O. Smith automobile frame plant, striking example of the same trend.

Retailing ► Why Goods Are Returned

UNTIL very recently it has been assumed by many department store managers that returning goods was a whim—the woman's prerogative to change her mind. The privilege of returning goods was considered a service, like delivering goods, which the department store offered to its customers because they seemed to want it.

Recent studies have come as a shock: goods are returned because they don't fit—they are not the quality which the purchaser thought they were—they look differently in daylight than they did in the store—they are damaged in delivery or don't arrive in time. More returns are caused by some negligence of the store than by customer vagaries.

Edwin L. Stoiber, director of the Store Managers Division of the National Retail Dry Goods Association, urges further study of returns by adjustors, says, "Over and above the routine of adjustment handling, the educational opportunity is constantly present and should be utilized not only to set the customer right but to set the store employee right."

Believing that a standard packing procedure would cut down returns by cutting down breakage, the Association has been making experiments with new packing methods. A standard for packing fish bowls and tumblers has already been determined.

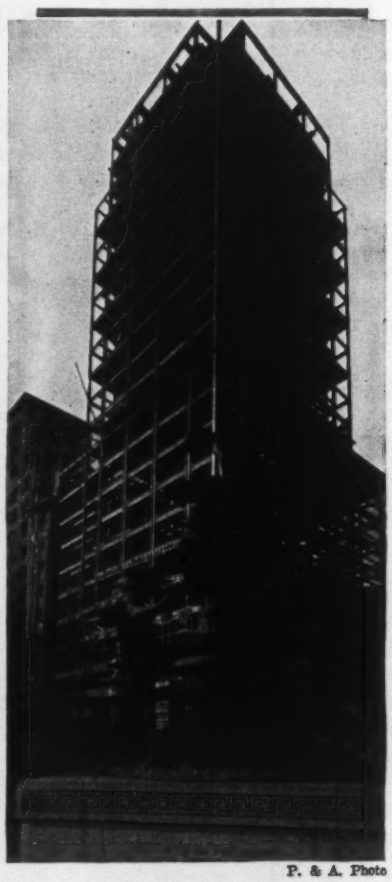
International ► Trade Barriers Are Let Down For Six Months

INTERNATIONAL business will cross the borders of nineteen countries after January 1 for at least six months, free of nearly 200 annoying trade restrictions. The League of Nations Convention for the Abolition of Import and Export Prohibitions in Paris has succeeded in setting up a formula which 19 of the 26 participating nations accepted. Tariffs are not involved; only administrative barriers which delay imports and exports without protecting industries (THE BUSINESS WEEK, Dec. 18).

The convention is only partially successful. Only eight countries have ratified unconditionally. Because Poland and Czechoslovakia are not parties to the agreement, 11 signatory countries withhold the right to withdraw after July 1 if on that date these two countries still have not ratified.

Ready to encourage freer international trade are: the United States, Germany, Great Britain, France, Belgium, Italy, Holland, Denmark, Finland, Japan, Luxembourg, Portugal, Rumania, Switzerland, Sweden, Yugoslavia, Hungary, Austria, and Norway.

A new spirit in international business relations is at stake. Over-the-border cooperation which has failed in several conferences, is the foundation of success in many more. Tariff difficulties will receive more sympathetic interest if one cooperative effort succeeds. The outcome in July is portentous, worthy of attention.



P. & A. Photo

WESTERN SKYSCRAPER

New Home of the Shell Oil Company, in San Francisco, soars above the famous monument sculptured by Douglas Tilden and dedicated to American mechanics by James M. Donahue

Textile ► Union Shop The Survivor

DAVID ADLER AND SONS CO., Milwaukee clothing manufacturers for the last eighty years, is going out of business. The Adler plant, long prominent in the clothing industry, was a closed shop operated under agreement with the Amalgamated Clothing Workers' Union of America. About two years ago a disagreement arose regarding the renewal of the contract with the union and this disagreement grew into a strike of considerable intensity, involving violence and excesses.

Months passed and no agreement or compromise could be reached. The union officials determined to open a shop of their own in order to give the strikers employment. They rented space in a large industrial building, installed machinery, made arrangements to sell the product to one of the largest American clothing producers.

It was originally intended that this would be merely a temporary undertaking, to be discontinued whenever the strike might be settled. However, as time passed, conditions improved, additional new machinery was installed and now that the original employer has closed out his business, it is possible that the union plant may become a permanent institution.

Building ► Eight Guiding Maxims for Real Estate Investors

ON October 16, the day before "Black Thursday," Dwight L. Hoopingarner, Harvard Phi Beta Kappa, executive of American Construction Council, sent out a letter inviting "members and friends" to the 1929 annual meeting to be held in Chicago in December. The letter stated, rather significantly, in view of what has since occurred, that the theme would be, "How to Maintain Prosperity Through Maintaining a High Level of Construction Activities."

The council developed these thoughts:

Building in recent years has been too spotty. Some localities are overbuilt, some underbuilt. Good buildings, profitably filled with rent-paying tenants, have been razed to make room for monumental half-filled "vanity skyscrapers" to perpetuate rich, sometimes newly-rich names. Destruction, so essential as forerunner to construction, had better be done with more care. Broadly conceived apartment communities, like those built by Julius Rosenwald and the Marshall Field Estate in Chicago, would provide more dependable securities than isolated dwellings or small apartment houses.

"Properly conceived and properly conducted buildings" are deserving of more attention from investors, especially from investors of moderate means. Ill-advised speculative building will be made more difficult, and injuries done by it to needed projects less severe, if investors would be guided by eight points:

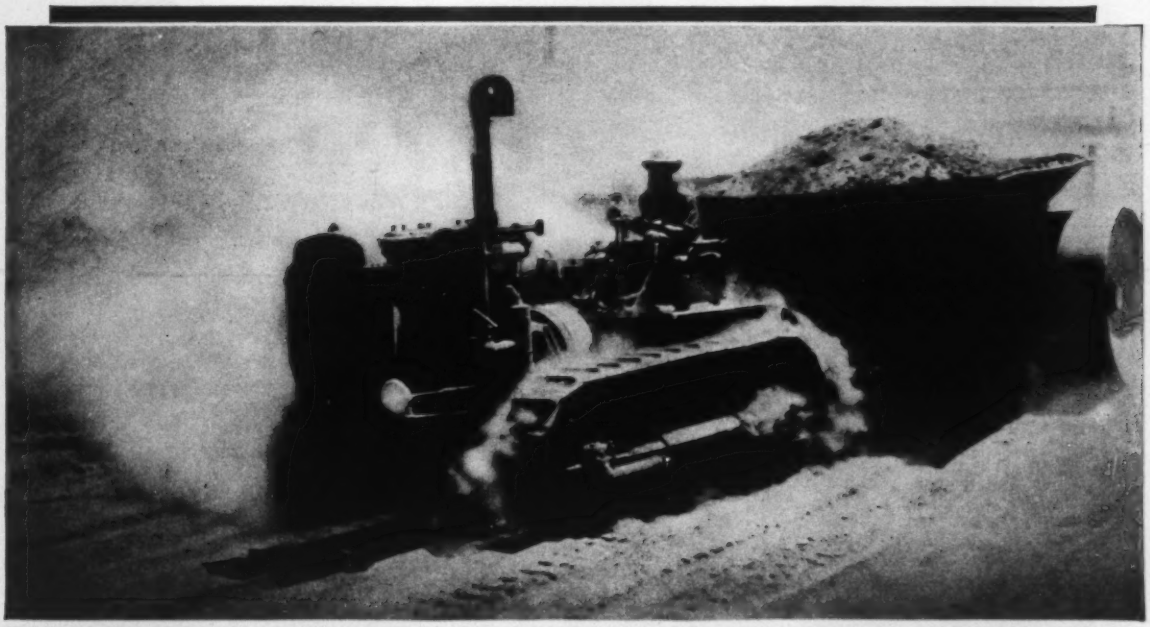
1. Seek both safety of principal and reasonably good return, well balanced.
2. Deal only with reputable firms and houses.
3. Weigh the purpose of a building, in relation to future as well as present demand.
4. Consider location as related to use, both now and in future.
5. Is type and design of building right for purpose it is to serve?
6. Are materials and workmanship in it of high quality?
7. Does it have sufficient earning capacity, present and future?
8. Insist upon a high type of building management.

Franklin D. Roosevelt, who has served as president of American Construction Council since its inception under Herbert Hoover's guiding hand in 1922, becomes honorary president. E. M. Craig, Chicago builder, succeeds him.

P. & A. Photo

NEW WYOMING SENATOR

Patrick Sullivan of Caspar, born in Ireland and once a sheep-herder on Wyoming ranches, is successor to late Senator Warren



Underwood & Underwood

TRACTORS SPEED UP DIGGING

Three such outfits as this—caterpillar sixties with specially built trailers capable of hauling fifteen cubic yards of dirt and gravel—are at work on the 21,000-acre San Joaquin and Tuolumme River irrigation project. They work twenty-three hours a day, hauling from 2,100 to 2,300 cubic yards

Construction ► **Drafted Into Construction**

FOR the first time since its organization the Interstate Commerce Commission has ordered a railroad to spend money on construction against its will. Unless the command is rescinded, which seems unlikely, the Oregon-Washington, subsidiary of the Union Pacific, must construct a 185-mile line from Crane to Crescent, Oregon, at a cost of $10,000,000. And the railroad doesn't want to do it.

The commission cites the Transportation Act as authority for its action. But the railroad, with the support of all Pacific Northwest roads and the approval of practically all other American lines, will undoubtedly appeal to the United States Supreme Court. Railroad men anticipate a court decision similar to the one handed down when the commission tried to force several roads to erect a union station in Los Angeles. The court held that the I. C. C. had no power to compel the roads to undertake construction which they considered uneconomical.

If the Supreme Court, in this instance, should uphold the commission, the consequences may be momentous.

P. & A. Photo

OWEN D. YOUNG

Industrialist, reparations expert, and possible Democratic candidate for President in 1932, describes growth of radio and future plans before Senate Commerce Committee

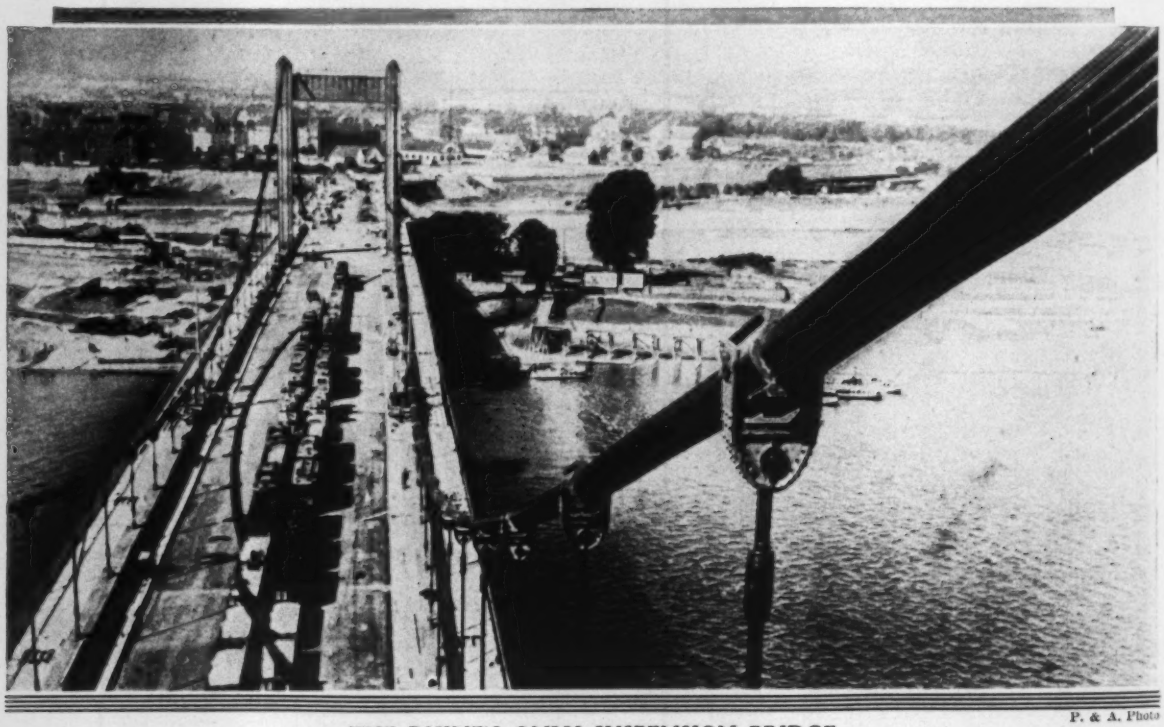
Railroads ► **A Rarity in Bridge-Building**

THE recently opened Cologne-Mulheim suspension bridge in Germany incorporates several features in its construction which are seldom found in American bridges of the type. Whereas most suspension bridge cables in this country are made up of strands of parallel wires manufactured in place on the bridge, the German bridge utilizes a group of 37 factory-made twisted wire ropes for each cable.

Exception to the American rule is the new St. John's Bridge at Portland, Ore., now under construction, which will use twisted wire ropes, and will have a suspension span longer than the Cologne-Mulheim structure.

Another feature of the German bridge, used in this country in the Sixth Street Bridge in Pittsburgh, is a new method of anchorage. The bridge is self-anchored; that is, the ends of the cables are attached to the ends of the heavy girders which run lengthwise of the bridge.

By this arrangement the tension pull on the cables is resisted by compression in the girders.



P. & A. Photo

THE RHINE'S ONLY SUSPENSION BRIDGE

Recently opened, it connects Cologne and Mulheim. An uncommon type, self-anchored and utilizing twisted wire ropes for each cable instead of, as in America, strands of parallel wires manufactured in place on the bridge

Copper ► Buyers' Strike Piling Up Orders for New Year?

THE buyers' strike in copper—subnormal buying being the rule for more than two months—is reflected in the November statistics of the industry. Figures released by the American Bureau of Metal Statistics show 384,426 tons of crude and refined copper in the hands of North and South American producers —an increase of 41,239 tons over the October total. Of more interest to the consuming public, stocks of refined metal on hand at the close of November amounted to 126,919 tons, against 88,401 tons in the preceding month, and 62,749 tons on January 1, 1929, just before the big boom in copper prices, which sent the quotation to 24 cents.

Even though fabricators are reducing their reserves of copper to an extremely low point, they refuse to take on supplies largely because of what they regard as an uncertain price situation. But producers believe that much copper remains to be purchased for first quarter of 1930 shipment quite irrespective of the state of general industrial activity. With production curtailed, they say the market is in a fundamentally sound condition.

The gain in stocks of refined metal is generally attributed to the sharp drop in shipments. Combined domestic and export shipments in November were 106,858 tons, against 159,190 tons (the record high) in October. Shipments for the first eleven months of the year, however, totalled 1,612,201 tons, compared with 1,657,681 tons for the whole of 1928, and 1,466,709 tons for 1927.

December shipments promise to be low and consumers look for another gain in holdings of copper by first hands. But important buying is expected around the turn of the year and it is pointed out that producers are in a strong position financially and in full control of the situation.

Aviation ► Speed Up to The Hop-off

THE business man of St. Louis flying to Chicago to keep a downtown appointment spends 2 hours in the air, 2½ hours getting to and from airports. But St. Louis is building an airport 15 minutes from the business center; Chicago is planning an amphibian plane shuttle service between the main landing field and the lake front near the loop district.

Landing fields on roofs and over railroad yards are not yet practical, Phillip R. Love, airport developer, told a recent meeting of the Industrial Property Division of the National Association of Real Estate Boards in St. Louis.

International Photo

SHY STEEL MAN

E. J. Buffington, president Illinois Steel Company, rarely interviewed and seldom photographed. In Chicago he greeted Charles M. Schwab, of Bethlehem Steel, who declared that decline of stock prices had no bearing upon industry

Times Wide World Photo

NEW BUREAU HEAD

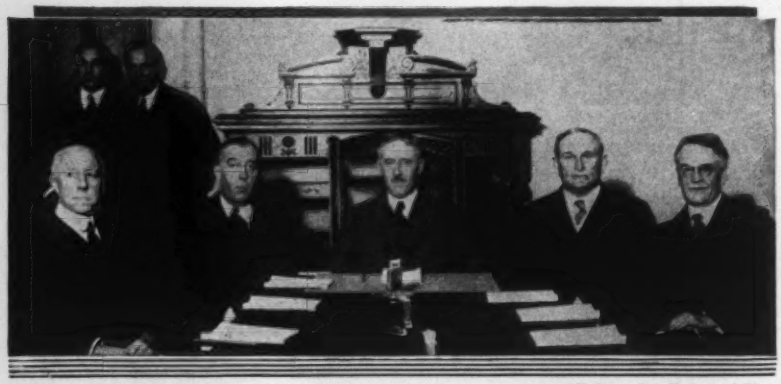
Dr. John M. Greis, chief of the Division of Public Construction, Department of Commerce, which will serve as clearing house of information on construction plans and methods of state, Federal and local governments

Advertising ► An Eye-Opener for Rip Van Winkle

IF some Rip Van Winkle were to drop in at the exhibit of Fashions Coordinated at the Commodore Hotel in New York this week he might recognize the catsup jars that Dame Van Winkle had placed on the table in the days before his sleep. Other objects in the exhibit would be less familiar. Unexpected would be the modern filling station pumps, the automobile and silk hose advertising; astonishing the evolution in packaging of food stuffs and the beauty of the vanity case.

Calkins and Holden, advertising agents, are attempting to show the advertiser through this exhibit just what has taken place in advertising evolution of the last 20 years. There are leg-of-mutton styles, the flares of 1920, and the models of today. Then there are the advertisements for each period—from the husky flamboyancy of early newspaper advertisements to the refined appeal of today's coordinated selling of fashions. The same development is traced through other fields.

Tried first in Detroit, the exhibit may be the forerunner of a new method of contact between agency and advertiser.



Underwood & Underwood Photo

THEY'LL HELP LIMIT NAVIES

American delegation to London naval armaments conference holds preliminary meeting in Washington. Left to right: Charles F. Adams, Secretary of the Navy; Senator David A. Reed; Henry L. Stimson, Secretary of State; Senator Joseph T. Robinson, and Ambassador Dwight W. Morrow

Finance ► **Open Northwest To Acceptances**

INCREASED use of bankers' acceptances, hitherto largely confined to the East, is planned throughout the Northwest by the First Bank Stock Corporation of St. Paul, which has purchased the Lumberman's Acceptance Corporation of Chicago. The name of the latter has been changed to First Acceptance Corporation, headquarters have been transferred to St. Paul, and the concern will be associated with the 77 banks of the $450,000,000 First Bank group so that supplementary service can be given. First attention will be given to the financing of home construction and equipment.

Said C. T. Jaffray, chairman of the board of First Bank Corporation and president of the Soo Line:

"The business which the First Acceptance Corporation will conduct is of a highly specialized nature. In recent years, commercial financing corporations of this type have developed extensively in the East, particularly in New York and Baltimore. They supply credits supporting the manufacturer and jobber in distribution of their products and releasing the manufacturer's capital for the conduct of his own business.

"While the corporation's activities are and will be national in scope, there exists in the Northwest an extensive field for such financing which is outside the natural limitations of commercial banking. Northwestern manufacturers will now have available a credit source which will put them on a comparable competitive basis with the manufacturers of the East."

Coal ► **British Subsidy Starts Rate Plea**

BITUMINOUS coal producers in this country, with an eye on the export field as the only means for expanding their business, read with interest the British Labor Government's plans, announced last week, for an export bounty scheme as part of its ambitious program for regulation and stimulation of Britain's coal industry. The scheme is designed as a threat to obtain abolition of subsidies in other nations, Germany and Poland particularly, and to provide cheap coal for home industries.

American operators are already handicapped in the export field by the distance of mines from ports. They declare that if they are to compete in overseas markets with producers of other countries, costs of moving coal from mine to port must be reduced; that if rates can be reduced without impairing reasonably profitable returns to the railroads, overseas exports can be increased—also railroad tonnage at the same time.

The South Grows

SOUTHERN BELL TELEPHONE COMPANY, which owns and operates the telephone systems in nine southern states, is celebrating the fiftieth anniversary of its founding, and the installation of its one millionth telephone.

Power ► **Rain and Snow End Western Drought**

THE drought which has been causing apprehension in agricultural, business and industrial circles in the West, Northwest and British Columbia, has been broken. There have been several days of rain and snow in the Northwest and British Columbia, snow is reported in the California Sierras, and a general rainfall in northern California.

Several northwestern areas faced a possible shortage of water power, due to the lowering of stream and lake levels, but the danger appears now to be past. Reports from California say that the power companies of that state did not fear a shortage, although the water supply had been diminishing for some time.

Throughout Colorado, water in the streams has been more than ample for power and irrigation throughout the 1929 season, with plenty of surplus for storage. On the eastern watershed of that area the snowfall is already above normal, auguring favorable conditions next year. A report from Utah early in December said the snowfall was considerably below normal, but that no water shortage existed. There is still time for an ample fall.

Wide World Photo

AMERICA'S SPONGE KING

Theodore Schroeder of St. Louis wins the crown as a result of the merger of Schroeder & Tremayne and the Atlas Sponge Company of New York. The companies do a combined business of $2,000,000 a year

Finance ► World Watches Russian Currency Inflation

RUSSIA is putting money into circulation with almost printing press rapidity. Practically every nation in the world has, at some time, come to grief by such methods, but Russia is engaged in a more "noble experiment" than has yet been tried.

Its currency circulation for a year has been increasing at the rate of from 90,000,000 to 100,000,000 rubles a month. During about the same time metallic reserve has risen about 100,000,000 rubles. But, since prices are artificially regulated, there has been no accompanying price inflation. And as the ruble cannot cross the border there has been no reaction in foreign exchange.

Two kinds of currency circulate in Russia—State Bank notes and Treasury notes. The law stipulates a metallic cover of at least 25% for the state bank notes. Gold, silver and platinum are counted: not gold alone as in most nations. No cover is required for the Treasury notes. Originally their volume was limited to 50% of the state bank note total; later 75% was allowed. The present cover on state bank notes is 25.2% against the 25% required; but if the Treasury notes be counted in actual cover is probably about 12% to 15%—a dangerously low proportion as judged by accepted practices, which require 35% to 40%.

The Soviet government's explanation is that June to February grain purchases usually total 8,000,000 to 10,000,000 metric tons. This year's procurements have been increased by 13,000,000 to 15,000,000 tons. Russia having no credit system as we understand the term, must pay cash; so the circulation has risen.

An October to October industrial production increase that Moscow sets at 24% is also put into the explanation. So is Russia's present favorable visible foreign trade balance, cited as evidence of the development of Soviet economic strength in recent months.

Yet, even though reasons presented in support of currency expansion would justify an increase in currency in any country, the actual figures indicate that the U. S. S. R. is running on a narrow margin indeed. In a nation on an open financial basis the situation would already have raised price levels and depreciated values abroad.

Strict governmental regulation of prices prevents such a development in the case of Russia. The experiment may be successful if a strong hand is kept on the lid, but even so, the present rate of increase can not long continue without a more rapid increase in reserves—unless reserve requirements are openly cut still further.

Tin ► Smelters Plan World Control

By Special Cable to The Business Week

EFFECTIVE restriction of tin ore smelting, with a tendency toward higher prices for the metal, is expected to result if the proposed merger of four of the five largest smelting concerns in the world goes through. Involved are: Eastern Smelting Company, Williams-Harvey, controlled by the Patino mines of Bolivia, the Cornish Tin Smelting Company and the Penpoll Tin Smelters. S. I. Patino is expected to head the holding company which may result. Straits Trading Company of Singapore, only large concern not involved, may enter the combine later.

Previous restriction schemes have been

P. & A. Photo

RUSSIAN EMIGRANTS OF GERMAN DESCENT FLEE SOVIET'S MODERN METHODS

Five thousand God-fearing German Mennonites whose forefathers staked out farms in the Volga basin more than 150 years ago return to the Fatherland "to escape the cooperative farming methods of the Soviets"

confined to British-controlled producers in the Straits. Dutch and Bolivian interests have remained aloof. Participation of Bolivia in the present scheme would insure control of a much larger part of world production than has heretofore been possible. Tin prices are not expected to rise above 50 cents a pound (present price about 40 cents) even if more effective control is applied.

Government ► **Tennessean Gets I. C. C. Post**

AS EXPECTED, President Hoover this week nominated Joseph B. Eastman, of Massachusetts, to succeed himself as a member of the Interstate Commerce Commission; but when Mr. Hoover named Robert M. Jones, of Knoxville, Tenn., Republican, to succeed Richard V. Taylor, Alabama Democrat, there was a rush for the Commission's copy of Who's Who. Mr. Jones does not appear in Who's Who and it was Representative J. Will Taylor, Republican national committeeman for Tennessee, who informed both Mr. Hoover and the public that Mr. Jones is an outstanding lawyer of the state and judge of the Chancery Court in Knoxville. Mr. Jones was formerly dean of the law school of the University of Tennessee. Mr. Taylor recommends him to Washington officialdom as a 59-year-old bachelor who is an expert golf player.

In addition to all this, Washington notes that sponsors for Mr. Jones include southern coal interests that fought the Lake Cargo Coal Case to reduce the differential against southern mines on coal to lake ports; is pondering the significance.

Finance ► **French Funds Free To Go Home**

EXPORT of gold from the United States, already in progress, will be considerably accelerated by the recent action of Congress in ratifying the French debt agreement, by the collapse of speculation and the lowering of money rates here, and by the plans of the French government to spend some $280,000,000 in public construction. The movement will tend to keep interest rates firm, as this country can easily spare a great deal of gold.

Because France has, as yet, developed no acceptance market and offers few domestic opportunities for investments of surplus funds, her balances are always placed abroad. A large part of these balances are in the United States; most of the remainder are in London. They were placed in this country because of the high interest rates and because of the unsettled debt situation. If the debt agreement had not been ratified, France would have needed funds here to make the immediate payments then required for surplus war supplies purchased from us at the conclusion of the World War.

The French funds here have been estimated at from $400,000,000 to $750,000,000, and are most likely about $500,000,000. How far the French propose to go in their withdrawals is a debatable question. But money for the projected construction enterprises must come from these funds. France has a large debt maturing in a short time which must be paid, and steps are being taken to develop Paris as one of the world's financial centers. These circumstances indicate that the withdrawals will be large.

Bake 90% Of Our Bread

AN item in the November 27 issue of THE BUSINESS WEEK stated that 90% of Crisco is sold to bakers. Its manufacturer reports that this should have read "90% of your bread is baked by bakers."

International ► **Big Six May Railroad Plan**

European Bureau The Business Week

CLOSE-HELD information from Brussels indicates that France, Belgium, Great Britain, Italy and Japan have engineered an agreement whereby ratification of six inviting powers will be sufficient to put the Young Plan in operation at the forthcoming Hague Conference. This is to prevent a deadlock through veto by a smaller power—for instance, Roumania—piqued over non-settlement of Eastern reparations questions.

Belgium will come to The Hague primed once more to insist on location of International Bank in Brussels; will not give up without compensation. France and Germany will both oppose her. England is expected to counter with a demand for London, then offer to compromise on Amsterdam. Basle is still a good guess.

M. Quesnay, director of the research department of the Banque de France, groomed for the presidency of the International Bank, is reported to favor making that institution an International clearing house, not merely a reparations bank; will probably support international currency plans.

International Newsreel

NEW YORK OPENS ANOTHER EXCHANGE

Cyrus Miller, president of baby New York Real Estate Securities Exchange, records the first sale on the new board. Sixty-nine issues are listed

What the Figures Show

THE latest week's records show no acceleration of the business recession. Most of the business indicators several weeks ago showed the most marked decline below last year, and the current declines are little more than would be expected for the season.

Steel mill operations were sustained on practically a constant level last week, the average for the industry holding at 64% of capacity as compared with 80% a year ago. The Steel Corporation is now operating at somewhat under 64% as compared with 65% in the previous week and 82% last year. Independents are running slightly above 63% compared with 62% last week and 79% a year ago. Holiday shutdowns are expected to be more extensive than usual and probably will reduce substantially the rate of steel operations up to the end of the year. No marked changes in general consumer demand for steel are as yet observable.

AFTER a promising rise in the preceding week, the daily rate of general building contracts awarded again fell in the latest week and is considerably below last year's level. Considering the general situation, however, the rate of building contract awards continues remarkably strong. Contracts for heavy construction showed an increase for the week ending December 19 and were not much below last year's figures.

The rate of bituminous coal production continues remarkably high, running above the preceding week and a year ago. Very little sign of slackening in demand is reported.

The rate of petroleum production declined slightly for the week but remains above last year's level.

The slight evidence of strengthening prices in recent weeks was followed this week by further weakness. On the average wheat prices showed a marked decline but are still above last year's level at this time. There is still little evidence of improvement in export demand. The week's average cotton price declined under continued slackness in foreign and domestic demand.

There was slight strengthening in the iron and steel composite for the week but it remains considerably below last year's level. Copper is still unchanged despite slack demand and accumulating stocks. Both the Fisher all-commodity index and the National Fertilizer Association wholesale price index showed a decline for the week. The larger declines in the index occurred in fats, grains, live stock, textiles and textile materials.

FIGURES OF THE WEEK

(Compiled with the co-operation of the Survey of Current Business)

	Latest Week	Preceding Week	Year Ago
PRODUCTION			
Steel Mill Operation (% capacity)	64	64	80
Building Contracts (F. W. Dodge, daily average in thousands)	$11,179	$21,722	$16,307
Bituminous Coal (daily average, 1,000 tons)	1,947	*1,922	1,869
Petroleum (daily average, 1,000 bbls.)	2,622	2,631	2,547
TRADE			
Car Loadings (daily average all classes, 1,000 cars)	156	167	164
Check Payments (outside N. Y. City, millions)	$ 5,735	$ 5,787	$ 6,418
Wheat Receipts (1,000 bushels)	4,788	4,234	8,185
Cotton Receipts (1,000 bales)	477	550	488
Cattle and Calves Receipts (1,000 head)	296	242	295
Hog Receipts (1,000 head)	770	588	802
Wool Receipts (1,000 lbs.)	5,252	1,252	5,370
PRICES (Average for the Week)			
Wheat (No. 2, hard winter, Kansas City, bu.)	$ 1.20	$ 1.25	$ 1.11
Cotton (middling, New York, lb.)	$ .173	$ .174	$ .204
Iron and Steel (composite, ton)	$35.97	$35.95	$36.24
Copper (electrolytic, lb.)	$ .178	$ .178	$ .158
All Commodities (Fisher's index, 1926-100)	92.6	92.7	96.8
FINANCE			
Total Loans and Discounts, Federal Reserve member banks (millions)	$17,375	$17,538	$16,188
Commercial Loans, Federal Reserve member banks (millions)	$ 9,557	$ 9,649	$ 9,038
Brokers' Loans, New York Federal Reserve member banks (millions)	$ 3,386	$ 3,425	$ 5,111
Federal Reserve System Ratio	69.3	71.6	64.5
Stocks Sold (N. Y. Stock Exchange, 1,000 shares)	23,109	22,854	20,706
Stock Prices (N. Y. Times, average 50 stocks)	$211.38	$210.90	$213.33
Bonds Sold (N. Y. Stock Exchange, par value, thousands)	$64,071	$81,327	$47,377
Bond Prices (Dow, Jones, average 40 bonds)	$ 94.29	$ 94.42	$ 96.06
Interest Rates—Call Loans (daily average)	4½%	4½%	7⅜%
Interest Rates—Time Loans (daily average)	5 %	4¾%	7¾%
Business Failures (Dun, number)	514	455	502

*Revised

GENERAL trade indicators show continued decline, though at a moderate rate. The daily average for carloadings of all classes fell again for the week and is considerably below last year's level. Miscellaneous and less-than-carload merchandise freight showed about the normal increase for the latest week over the preceding week containing the Thanksgiving holiday. It appears that, following the more rapid falling off earlier in November, this group of carloadings is fairly steadily below last year with no sign so far of more than seasonal decline. Commercial transactions as measured by check payments showed further slight decline for the week and are more emphatically below last year. Bank debits in 131 cities for the week ending December 11 were nearly 7% below a year ago. Commercial loans of the Federal Reserve member banks showed further decline for the week but still remain considerably above a year ago.

SIGNIFICANT November figures released during the week are those of foreign trade and employment. Exports in November were about $97,000,000 below those of last November and the lowest for the month since 1925. Imports showed an increase over the corresponding month last year.

Employment in manufacturing, mining, quarrying, public utilities, trade, hotels and canning and preserving decreased 3.1% and payrolls decreased 6.8% in November as compared with October. In manufacturing industries employment decreased 3.6% and payrolls 7%. As compared with last year manufacturing employment was less than 1% lower and payrolls slightly over 1% below last November.

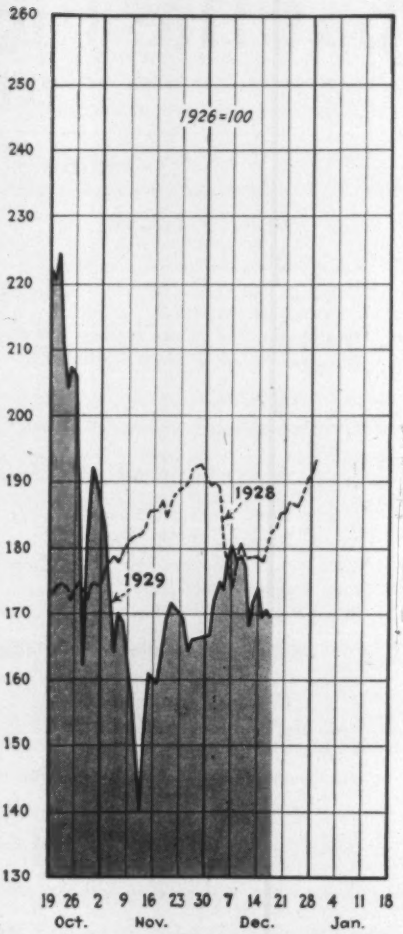
Money and the Market

STOCK prices declined for the second consecutive week—with sporadic brief rallies. Tradings grew more listless. Volume of sales was smaller than in some time. The market becomes, more and more, one of professionals.

Business indicators offered no solace; continued to point downward. Aftereffects of the price collapse, present effects of business recession are unsettling. Announcement of a receivership for International Combustion Engineering, due to weakened financial position, proved disturbing. Fox Film reorganization has had a cumulative unsettling effect. Like the recent Foshay incident, it shows that the spots are not all washed out yet. These, coupled with receding steel operations, smaller car loadings, smaller check payments, and some doubt as to Christmas trade do not arouse optimism.

THE MARKET DAY BY DAY

(Standard Statistics Company's Daily Stock Price Index)



Brokers and students of the Street hold almost unanimously that the market does not look attractive for the near future. Possibilities of a major secondary break are present. Even if this be minimized, little more than a listless, dull market with a slightly declining price movement can be envisioned at present.

Money rates changed little. Heavier demand brought a reduction of bankers acceptance rates to 3⅞ @ 4%, but call money, time money, commercial paper, etc., remain unchanged. But the prevailing rates are firmer. Continued heavy gold exports and Christmas currency contribute to this.

Gold exports in the week totaled $33,499,000, with imports negligible and earmarkings up $3,000,000. Gold losses since November 1 total $65,000,000.

Outward movements are expected to continue for some months. Foreign exchange continues strong. England was the principal taker this week, getting $21,000,000; France took $11,000,000; Germany, $1,334,000; Mexico and India received small amounts.

Bullion of the Bank of England now totals £40,700,000, a recovery of more than £10,000,000, or about $47,000,000, since the low point in mid-October. If the Bank's position continues to strengthen, there will be another decrease in the discount rate. The Bank of France is still building up its reserves; even the Reichsbank is making some progress in this direction.

Argentina dropped out of the gold standard column this week, as the conversion office closed, leaving the currency inconvertible. The peso dropped sharply, but recovered a part of the ground lost. This is the first country to desert gold standard since the war, and it had only returned to it in 1927. Withdrawals of gold by this country, unsettled financial and political conditions were the cause. As gold stock is nearly as large as it was in 1927 the present action is believed temporary.

Volume of bankers' acceptances continues to grow. It reached $1,657,000,000 November 30, the figures now show. This is an all-time high record, but it is almost certain to be surpassed December 31. The growth in total is much more rapid this year than last as the bills are used more and more widely.

The bond market declined in the week and continued to puzzle observers. Recovery with the advent of easier money was confidently predicted. Easier money is here, but recovery has been slight and the market has little strength at present. Eager would-be borrowers with whetted appetites find themselves still unwilling to attempt flotation of many issues. Railroads particularly are delaying financing programs, hoping for a turn for the better.

Brokers loans decreased $39,000,000 in the week to total $3,386,000,000. The decline wipes out the increase of last week—and a little more. Non-banking lenders withdrew considerable funds from the call market and both New York and out-of-town banks increased their loans. There was a huge decrease in Federal Reserve holdings of government securities due to quarterly government financing; otherwise, the Reserve system showed little change.

1929
Record Breaker and Heart Breaker

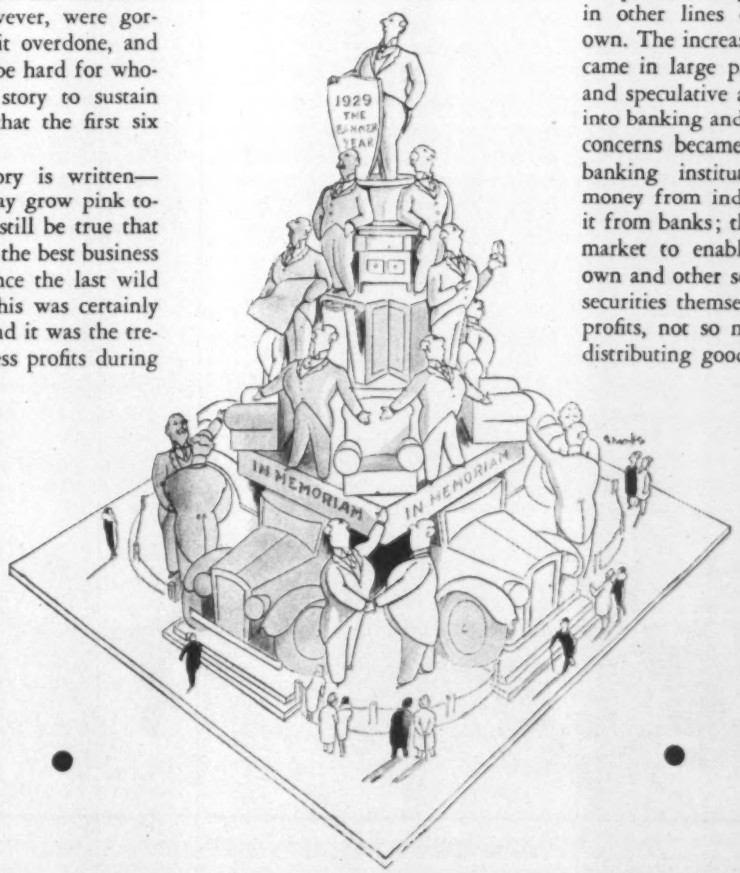
HISTORIANS will put a little red mark against 1929. It broke a lot of records and a lot of people. It brought with it one of the biggest booms in American business history and the biggest panic in our financial history. In it the business annals of this country were re-dated: Everything that happened before October 24 is now "B. C."—Before the Crash. Too many things on the business calendar for 1930 are now marked "A. D."—After the Depression.

The story of 1929, in finance, is no longer entertaining reading; but the story of business and industry in 1929 is far more exciting because the last instalments have not yet been published and we do not know how the tale ends. The first chapters, however, were gorgeous and perhaps a bit overdone, and the reader feels it will be hard for whosoever is writing the story to sustain to the end the thrill that the first six months gave him.

After the whole story is written—even though the ink may grow pink toward the end—it will still be true that 1929 was on the whole the best business year in a decade, or since the last wild boom year of 1919. This was certainly true of the first half, and it was the tremendous gain in business profits during this brief boom that overfed speculative enthusiasm and brought about the market crash.

Gross corporate income of all corporations will probably run between $150,000,000,000 and $160,000,000,000 and show an increase of 10% over 1928—extraordinary growth. Net earnings should average an even larger increase—as much as 12%, and will probably amount to $15,000,000,000. This does not mean that business as such was more profitable in itself, but that corporations did more business and made more money. It is likely that the average ratio of net profits to gross sales and capital investment was no larger than the normal average of 10%.

The leading corporations in many lines, of course, will show a much larger increase in net income. The National City Bank's compilations of net profits of 638 corporations—probably representing about 30% of the total net profits of all the 450,000 corporations in the country—show an increase of 20.3% for the first nine months this year over last. Profits of 272 industrial corporations alone increased 26.7%; 95 utilities other than telephone and telegraph increased their earnings 17.6%; and 182 railroads showed an increase of 17.4%. These increases will doubtless be cut down in the last quarter, but the average increase may run close to 20% after all the black ink for the year runs out.



The rapid growth of business profits in 1929 was in large part inflationary. It was a new kind of inflation. It did not show itself in rising commodity prices or in speculation in commodities, or in general trade. It was the result chiefly of speculation by business organizations in other lines of business than their own. The increase in corporation profits came in large part from their financial and speculative activities. Business went into banking and finance. Many business concerns became investment trusts and banking institutions. They borrowed money from individuals who borrowed it from banks; they loaned it in the call market to enable people to buy their own and other securities; they traded in securities themselves. They made larger profits, not so much by producing and distributing goods as by producing and distributing more securities and by borrowing and lending more money.

In spite of the large rôle that financial and speculative activity played in the year 1929, larger industrial activity had an unquestionable part in the picture. This year will show the largest annual increase in production

for any year since 1925. Although the general impression is that business has been going through a boom period continuously since the war, the first half of 1929 will be the first time in three years to which the term can be accurately applied.

The careful computations of the Federal Reserve Bank of New York indicate that in the three preceding years—1926, 1927, 1928—the growth in the total volume of production and trade was somewhat less than the normal average annual increase of 4% or 4½% which has characterized the past twenty-five years. This year total production—manufacturing, minerals, animal products and crops—probably increased between 8% and 9%, which is about twice the normal annual growth.

Some industries made spectacular gains. These were chiefly those which had not recovered their normal rate of increase during 1928 following the recession in 1927. In general the industrial boom centered in the enormous expansion of the automobile industry. Production of cars and trucks increased about 30% this year. Truck production alone increased over 45%.

This growth carried with it enormous increases in steel and other lines of production. Pig iron output rose over 14%, steel ingot production about 12%, copper about 14%, steel castings, 30%, plate glass over 18%, rubber-proofed fabrics over 32%. The automotive optimism brought with it a boom year in the oil industry, with increases in crude petroleum production of nearly 14%, in gasoline of over 16%.

The year was also an exceptionally big year for textile production as a whole. Wool consumption increased about 13%, cotton consumption over 11%, silk consumption over 9%, above the preceding year.

At the same time there were some industries which did not make such a good showing. Building construction and most of its related industries had a poor year. This slump was chiefly in residential building. Heavy engineering construction increased 12%, but general building contracts were about 12% below 1928. Lumber production fell at least 5% under the preceding year; flooring output alone from 15% to 20%; cement nearly 3%; brick about 18%; radiators more than 20%; and plumbing fixtures about 13%.

The high degree of activity in textiles as a group conceals a slight decline in production of cotton cloths. Curiously, rubber tire production also will probably show no increase or even a slight decrease for the year. Total paper production in 1929 will probably not amount to more than 4% more than in 1928. Although the output of boots and shoes increased somewhat over 5%, the leather and shoe industry as a whole showed a relatively slight growth in output—not more than 2% for the year. The food products industries likewise as a group showed practically no increase in aggregate production. Cigarette production increased 13%, somewhat less than the normal average.

Bituminous coal production for the year increased about 7%, while anthracite output declined slightly. Zinc and lead production showed relatively small increases but the output of tin increased more than 18%.

It was a poor year for crops as a whole. Total agricultural production for the year will show a slight increase, but somewhat higher prices for some products is expected to yield a small increase in total agricultural income.

It was unquestionably a good year for factory workers. Employment and payrolls for the year averaged 5% or 6% higher, and the cost of living ran a fraction below the preceding year.

Despite the breaking of many records in industrial output, and the relatively higher level of general purchasing power among industrial workers and farmers, it is striking that the general volume of trade does not seem to have shown as great an increase for the year as industrial production. Primary distribution as measured by the carloadings of other than bulk commodities increased barely 3%; total freight ton-mileage only 6%. Wholesale trade showed an increase of only slightly over 3% and department store sales only 2%. Export trade increased somewhat less than 3½%, but imports showed a marked growth of approximately 9%. Business done by check in the 131 cities outside the speculative centers increased a little over 8%, but doubtless even this growth was affected during the first part of the year by the high degree of speculative activity all over the country. Postal receipts gained only 3%, considerably less than the normal average. It was a good year for life insurance salesmen, the amount of new insurance written increasing 8%; but along with building, real estate had a thin year, the total of transfers being 2% less than last year. Newspaper advertising showed a growth of between 5% and 6% and magazine advertising over 7%.

The general average growth in trade

1929 WAS—

The most profitable year for business since the war.

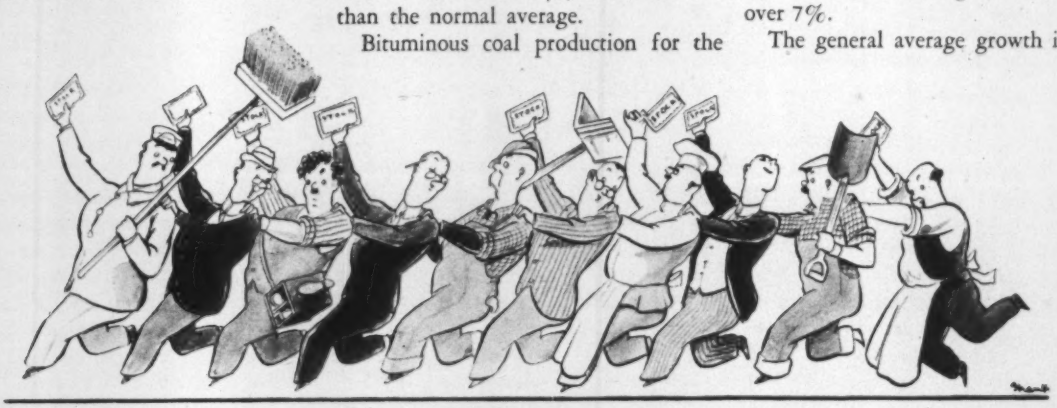
The first boom year in industrial production since 1925.

A record year in railroad earnings and efficiency.

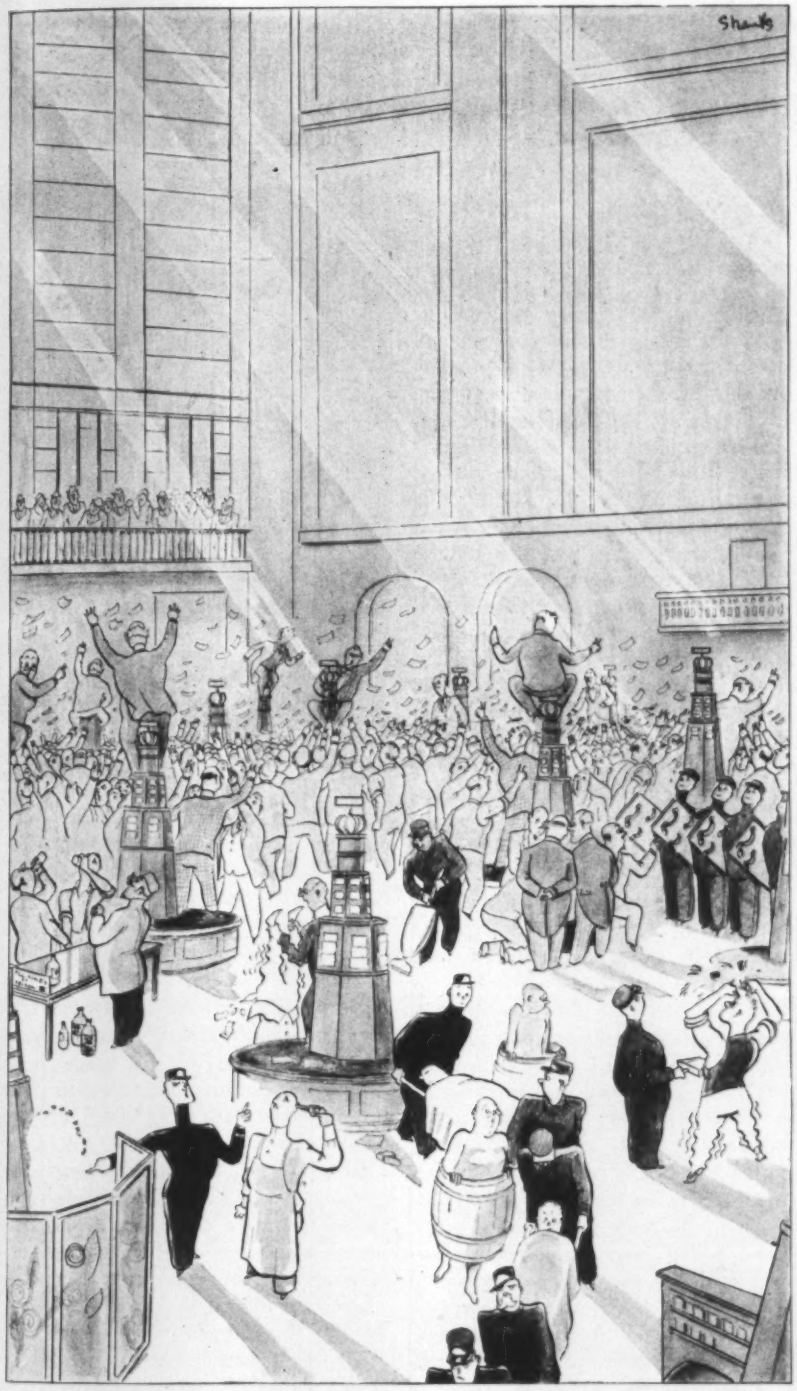
A good year for agriculture.

An excellent year for wage earners.

A terrible year for speculators.



THEM WAS THE HAPPY DAYS!



BLACK THURSDAY

was probably around 5% or 5½%, somewhat more than the normal average increase of 4% or 4½%; but the enormously greater volume of financial transactions doubtless accounts for part of this higher rate of increase.

Despite the growth in industrial production and the relatively slower growth in general trade, it does not appear that there was any great piling up of inventories of manufactured goods except in those lines where the increase of production was most spectacular—and that means chiefly automobiles and radio apparatus. Total stocks of manufactured goods averaged about 1% above 1928; but raw materials stocks—chiefly grains, foodstuffs and petroleum—were about 16% higher than last year. In consequence, the average wholesale price level during the year, reflecting mainly raw materials, was slightly lower than 1928.

The year was a fairly healthy one from the point of view of business mortality. The number of failures was nearly 5% below last year, and the liabilities over 7% lower.

The financial record of the year is wholly without parallel—in the volume of security trading, the volume of security issues, the amount of credit used to float them, and the degree and intensity of the inflation and collapse of security values. The figures are insignificantly large, but the outstanding fact to remember about the year from this point of view is that the banking system weathered this storm without breaking. This year put it to a test such as it never had before, and it stood the test. This may remain—among all the other records of the year—the most important achievement of 1929. If it was luck, it was the best luck of the year.

With all these banners that float around 1929 as it goes down under the scythe of Father Time, it was not the kind of year in American business life that can bear much repetition. It was lopsided industrially, unconscientious and careless commercially, and reckless financially. It revealed the great dangers that lie in over-exuberant business expansion and security speculation. It showed how far American business is from the achievement of that economic balance which alone assures steady prosperity. Profitable as it was for business, 1929 will be still more profitable to the country if its experience is invested in the future, and if it leads business to think more seriously about the problems of stability in the years to come.

1929 WASN'T—

A year of sound, well-balanced business growth.

A year in which business made its money in its own business.

A year of wise spending or wise saving.

A good year for building or real estate.

A year of much business efficiency or financial wisdom.

The kind of year we want very soon again.

Lo, the Poor Inventor!

IT is hardest to sell the thing the world wants most. It is extremely difficult, almost impossible, to get money for inventive brains. In part this is due to the vagueness and intricacy of the patent law, in part to a curious kink in the psychology of men which makes them less honest in the traffic in ideas than in any other form of commerce, and in part to the ill-organized condition inherent in the brains business. Until very recently, in fact, there wasn't much of any organization in this important trade. Today it is taking form, getting under way as a going concern.

How are the ideas which are the products of the brains of inventors managed? In practice there are three great types of dealing in such new ideas as represent a possibility of commercial profit. The first type is the concern which deals only in ideas as represented by the form of legal monopoly known as a patent. The Radio Corporation of America, a vast concern without factories or warehouses, with brains and ideas as its only assets, is the classic example of this type.

The second type is found in the brains department of a great corporation. These departments endeavor to improve the efficiency of particular industries by inventions, either their own or such as they may decide to buy from invention concerns proper, or from individual inventors.

The third type is the individual inventor in his relation to industry. With him is associated usually a promoter of some kind and almost invariably a patent lawyer. This is the oldest and least organized form of traffic in inventions. But it is by no means the least important, either in the number of its inventions or in their significance. Despite the great mass organizations which compete with him, the individual, genius type of inventor still holds the field as the most important single source of new ideas.

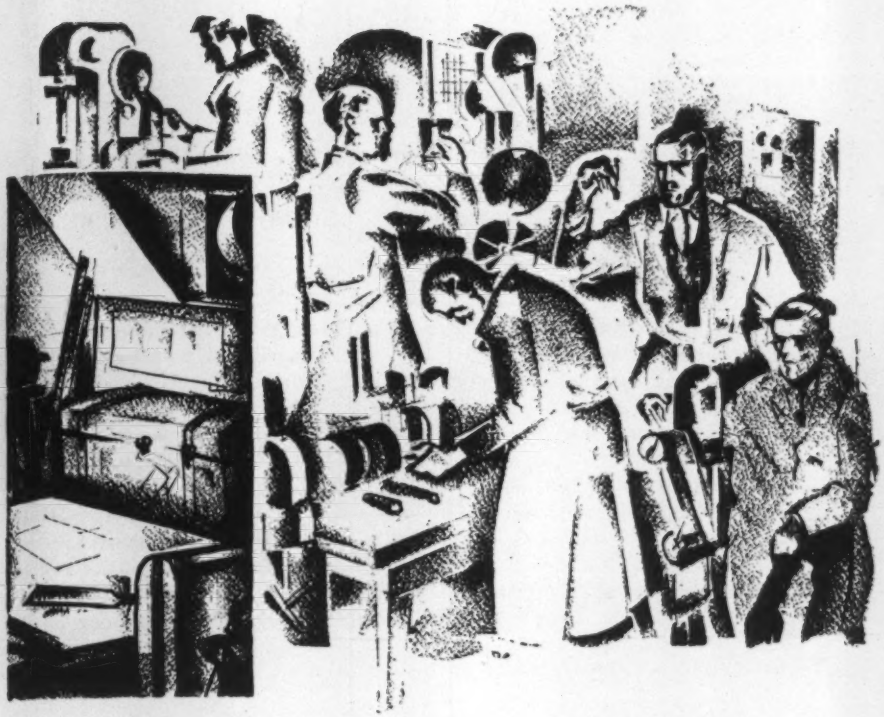
TWO curious examples of the individual's success in discovering remarkable things which thousands of more highly expert organized researchers had failed to find have recently been publicly admitted. The Radio Corporation of America is one of the greatest research concerns in the world. It is primarily occupied in avoiding inventors. Its staff is the best that can be found, its resources are fabulous, its scientific policy aggressive. Yet it just purchased from an unknown Russian, thirty years old, of no great standing before the learned world, a simple little device for making music out of the howl of the radio tube. The man was Leon Sergeivitch Theremin. One can fancy the feelings of the company, after spending millions to get rid of this odious howl, when M. Theremin made music out of it.

The other example, also in the difficult field of radio, is the loud speaker invented by Colin Kyle, a thirty-four year old California school-teacher. In his leisure hours Mr. Kyle found a way to apply to the loud speaker a physical principle which had been known for 400 years, ever since the invention of the Leyden jar, but which has resisted the best practical inventors, notably Edison and Bell, who had tried in vain to apply it to the telephone. Jesse Hawley, long coach of Dartmouth football squad in the autumn and radio manufacturer during the rest of the year, ran across Mr. Kyle. The invention was purchased and United Reproducers are making Mr. Kyle immortal as well as rich by advertising the "Kylectron."

TO return to the first type of brains business, one of the most interesting, even sensational, cases of the success of a special inventions concern in holding its own against the inventions departments of great corporations is that of the Universal Oil Products Company of Chicago. Whereas other important inventions companies are usually linked up financially more or less intimately with the clients who eventually buy their patents—such being the case with the Radio Corporation of America and the Bell Telephone Laboratories, Inc.—Universal has no connection with any oil group or any petroleum refining company. In fact it is fighting the great oil companies of the country in the courts most of the time. It has never been in the oil business. All that it does is to exploit the Dubbs cracking process for the manufacture of gasoline out of heavy petroleum products.

The inventor, Dubbs, who bears the memorable name of Carbon Petroleum Dubbs, bestowed upon him by his ancestors who had been in the business of refining petroleum since it was first discovered on this continent, is vice-president of the corporation.

Doubtless through paternal warnings, if not out of his own early experience with refining inventions, young Carbon Petroleum Dubbs saw that the only way to make a refining patent good was to organize its exploitation on a sound financial basis. He appealed to the late J. Ogden Armour, the Chicago meat packer, who had known well the elder Dubbses, father and uncle of C. P. The Universal Oil Products Company was



auspiciously launched with enough funds to develop and sell its processes and, what turned out to be still more important, with enough ready cash to hire the lawyers and experts necessary to fight the great oil companies in the courts.

The method of procedure was novel, to say the least. First, Mr. Dubbs, who appears to have been the guiding genius of the affair, although he is not its president, recruited the most highly skilled oil chemists out of the ranks of the great oil companies. They were valuable as inventors and priceless as witnesses. The pure chemistry of petroleum passes for being peculiarly unknown. The patents on refining processes, especially cracking processes, are correspondingly open to doubt as to validity before the courts. It so happens that infringers of a patent are responsible for damages whether they be the owners of the patent who license it out to somebody else or merely the persons who pay for a license to use it. Hence oil refiners, faced by all the uncertainty about who really owned the valid patents on cracking, were afraid to take out licenses. Mr. Dubbs and associates imitated the historic action of Henry Ford in the long drawn out matter of the Selden automobile patents. They issued a guarantee to their clients covering damages in case of any action for infringement. Refiners began to use the Dubbs process, royalties poured in, and, finally, inevitably a crop of lawsuits of unparalleled size and intricacy sprang up all over the United States.

Relations between the older oil dynasties and Carbon Petroleum Dubbs became highly unpleasant. Not only did the oil concerns detest the habit of Mr. Dubbs of receiving into his growing family of experts graduates from their own expensive research departments. Above all they resented the uncanny ability of these oil chemist witnesses at confusing, delaying, befogging every issue that came before an uninstructed court for decision. Dubbs witnesses became famous throughout the land, as did Dubbs patent lawyers. One especially profound Dubbs chemist took four weeks on the witness stand to answer one question on "osmosis." Today oil men state in all seriousness that it is doubtful whether the patent tangle over cracking processes will get cleared up in our era. The Dubbs suit with the Standard Oil Company of Indiana about the original Burton patent for the old cracking coils has been in the courts for ten years. Patent lawyers who have worked on the case aver that it may very well last for thirty more.

A POIGNANT case illustrative of the injustices arising in the battles between a weak individual and powerful corporations was that of the modest smelter operative, George Campbell Carson, who invented a method of feeding smelter furnaces which came into universal use. Carson refused the $3,000 cash which he was offered for the invention, holding out for a royalty basis. The industry gave him nothing, used his invention, saved millions of dollars yearly through its application.

At last one day somebody told Rudolph Spreckels, the sugar magnate, about the fellow's plight. He was moved —moved and angered. Lawyers investigated the patents thoroughly for Spreckels. In less than three years Carson, backed by Spreckels, had won his suit against several of the largest mining concerns in the world. Their settlements with him ran into millions, some mining men say six of them, others say twenty or thirty. The sixty-year-old "desert-rat" was vindicated before his fellows of the hills for what they had always thought were his idle tales about a great invention.

HE HAS A HARD FIGHT, BUT HOLDS HIS OWN PRETTY WELL AGAINST THE REGIMENTED SCIENTISTS OF INDUSTRY

The Metal-Working Industries in 1930

• • • • • • • • •

LEADERS of the machinery and metal-working industries are not worried about the future. They regard the outlook for 1930 as distinctly favorable, despite a decline in production and sales which began in May, 1929, continued throughout the summer and early fall, and culminated in a sharp drop in November. Generally recognized as one of the best and most sensitive of economic barometers, sales of machine tools reflected the business recession which followed the break in the stock market, for manufacturers do not purchase new equipment during periods of uncertainty. According to authoritative figures, November activity in metal-working plants was 13.3% less than in October, and 12.7% below that of October, 1928.

It is not expected that 1930 will equal 1929, which was an exceptionally prosperous year for all branches of the industry. Throughout the twelve-month they were always in the van of prosperity's march. One branch in particular, machine tools, promises to equal, if not exceed, all previous annual records. But the industry as a whole expects to do as well in 1930 as it did in 1928, and perhaps a trifle better. In this expectation it is encouraged by the fact that country-wide reports indicate that business has definitely picked up during the first ten days of December, and by the further fact that when the November drop began many companies had on their books sufficient orders to keep them busy for six months, an excellent cushion to fall back upon during a slow period.

Many prominent executives in the machinery field are convinced that the Wall Street panic was not responsible for the business recession. They admit that the drop in their business was accelerated immediately after the panic, but declare that the previous decline was almost entirely seasonal. Moreover, they feel that recovery from the effects of the stock market débâcle is already well under way, and that it will become more rapid as manufacturers regain their confidence and recuperate from the fright given them by Wall Street. Uncertainty created by the panic will certainly retard equipment buying, but throughout the machinery and tool industry there is an optimistic feeling that the retardation will be slight, and will be more than offset by the release of funds from speculation and their employment in financing legitimate production.

Another important result of the Wall Street upheaval is the release of highly-paid executives from close contact with stock brokers. Time spent in telephoning orders and discussing futures, and in worrying about the antics of stocks, can now be devoted to running a plant, which is really a full-time job. Stocks of metal-working companies were among the most active during the bull market, and the drain upon the time of the executives of these concerns was correspondingly heavy.

Plans for operation schedules during 1930 are, to a large extent, based upon the belief that before the cushion of advance orders has worn thin there will be enough new orders on hand to keep the wheels turning. Most of the branches of the metal-working industry have long since learned how to expand and contract according to the state of their markets. It is positive that if the recession continues for a long period, short-time operation will be resorted to rather than the discharge of employees. Skilled men have been too scarce during the past eighteen months to be dismissed without great consideration; employers will retain them as long as possible.

Over-capacity has been one of the major handicaps of the metal-working industry for several years. Only during such active periods as the early part of 1929 are facilities fully engaged. Much obsolete equipment is also in use. A survey made by *American Machinist* in 1925 showed that 44% of the equipment was more than ten years old. As a matter of fact, many machine tools are obsolete before they are five years old. How this industry compares with others is unknown, as others have not been surveyed for obsolescence. Tremendous savings in production costs would be possible if the majority of metal-working plants were equipped with up-to-date machinery and tools.

Labor relations in the industry are by no means perfect, but in recent years there has been little trouble. Employment has been reasonably steady, and wages have been in line with those paid in most other industries. More attention to the training of operatives would be desirable, and will probably be among the developments of the next few years. Considerable progress has already been made in the matter of providing adequate training for foremen and other minor executives.

Generally speaking, the industry does

Outlook for next year distinctly favorable • May not equal 1929, which was exceptionally prosperous, but should come up to 1928 • Advance orders cushion drop • Over-capacity still a handicap and much equipment is obsolete • Some weakness in distribution • See big opportunity in export trade if well-handled

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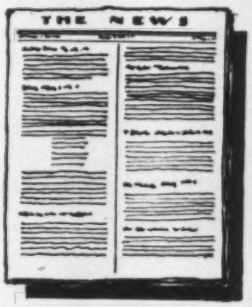

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The reader is the president of one of the world's largest banks. The editor is his "reading secretary." It is this reading secretary's job to go through the great mountain of material that deals with business in its general and its particular phases. He reads the daily newspapers—pounds of them, the bank letters, the weekly and monthly and semi-monthly magazines, the foreign news, the confidential reports; his quick eye scours the business and technical press, ever alert for information which might interest his single reader. He clips, condenses, and digests all that he has read and reduces to a few typewritten sheets just that part of it which he knows is of importance to his chief.

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Such a service is valuable, but The Business Week goes further. It does for the business man what the banker—for all his private newspaper—had to do for himself: it interprets the meaning of the news. It tells how today's news affects tomorrow's business. For when the business man says, "How's business?" he means, "How's business going to be?"

not fear foreign competition. American machinery is still the best in the world, and can usually be sold at home on that basis. In foreign countries where American manufacturers have been careless about patents there has been much difficulty about copies of standard machines. And neither at home nor abroad are distribution methods all that they should be. The coming census of distribution should be helpful in pointing out necessary improvement.

In times of domestic dullness the American manufacturer naturally casts a longing eye on foreign markets. But he who looks abroad only in time of need is not apt to do much toward conquering foreign markets, which can be done only by intensive and constant work. There are metal-working companies which have done this and they will probably reap a handsome reward in the near future. For that matter, they have been rewarded in the past. Exports of industrial machinery totalled $226,000,000 in the 12 months of 1928. In 10 months of 1929, they reached $234,000,000.

When more Americans overcome their traditional insularity of thought, particularly as regards markets, these amounts can be increased, and the market for surplus production will be of great assistance during a period of domestic recession.

In the meantime it behooves the metal-working industry to attend to the replacement of obsolete machinery while the breathing spell lasts, and to study its products carefully and determine whether they are entirely acceptable to their markets. Equipment, materials and parts salesmen have a splendid opportunity for the intensive cultivation of customers who now have time to think, and whose minds have been made receptive by the Washington industrial conferences and the sound advice that has come out of them.

▼

Research ► **Mr. Robot Now Listens In**

A DEVICE recently invented in England eliminates the nuisance of the telephone operator's "They do not answer." In the absence of the subscriber the device takes down a message. This is but one of a number of inventions made by Louis Blattner in recording and reproducing sound. He has produced a telephone registration machine which controls, records and files an entire telephone conversation, including any remarks by the operators or busybodies on the wrong line.

"HABIT"-

the greatest danger in business today!

HABIT! Harnessed, directed, *utilized*, what a mighty power! But, left unheeded, to grow and develop at will, what a sinister force!

What is more relentless in its demands, more throttling to progress, more avaricious in its greed for time and profits than a Nineteenth Century HABIT stalking in a Twentieth Century office?

Where would Business be today if HABIT had had his way and quill pens and letter presses were considered good enough?

Just how many milestones *back* along the road to progress would Business be if it had listened to the whisperings of HABIT when he said, "Letters are fast enough. The telephone is a new-fangled, untried contraption. Don't use it!"

How would merchants be faring if they were still hobnobbing with HABIT and dropping in and paying out coins from the "cash till" with a prayer that there be a profit at the end of the month?

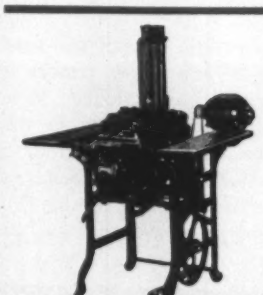
What would *your* business be heading for if HABIT was the chairman of the board —or general manager —or sales manager— or partner — or head clerk? An impossible condition! Yet, not necessarily an obvious one, for HABIT does not cloak himself conspicuously. He must be hunted. His ways are devious and cunning.

Are you sure, *quite sure*, that HABIT is not lurking in unsuspected corners of your business? Are you sure that in at least a few ways he has not intrenched himself during 1929 and is girding his loins for 1930? There will never be a better time than right now, at the fresh start of a new year, to find out.

For instance, how are your business forms requiring names and data being made out? Is each letter of each word being painstakingly written or typed in?

What about statements? Are they headed up by hand? How are factory schedule forms and production forms being made out? How are shipping tags being written? How are stock records being kept? How are collection forms being handled? How are route sheets being imprinted? And what about pay sheets, payroll checks, dividend checks, cost forms, factory time tickets, sales letters, bulletins, price lists, etc., etc. Is HABIT dictating that this work be done by hand? There is another way, frowned upon by HABIT, that is 10 to 50 times faster!

Latest Addressograph product — Class 5200 Dupligraph Produces 500 personalized letters per hour. Date, name and address, salutation and body of letter are all printed at one operation from metal type thru same ribbon. Can be operated by anyone in your office. Price $300 f. o. b. Chicago.



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Thousands of concerns have discarded the ways of HABIT and adopted modern Addressograph methods. Business forms are handled in a fraction of the time, without possibility of error. Expense is reduced, things are done on time, sales are speeded up and profits are increased.

May we co-operate with you in a survey of the methods now being followed in your business? The helpful advice and information we will be able to give you will be furnished without obligation. A letter from you will receive prompt attention.

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SOUTHERN PUBLIC UTILITIES COMPANY AND OTHER ALLIED INTERESTS

Sugar Seeks to Sweeten The Uses of Adversity

LAST year American housewives, despite all warnings from cigarette manufacturers, spent $786,000,000 on sugar, kept American consumption well to the top. Only in Australia and New Zealand was more sugar per person consumed.

Yet Cuba, India, Java, Czechoslovakia, Germany—heavy producing countries—are suffering from glutted markets, consequent low prices. The courageous attempt of Cuba's Sugar Central to restrict production failed, left that country in financial distress. World production continues on an excessive scale.

In the United States the situation is important to the planters of the 1,069,000 acres of sugar cane and sugar beets whose products are worth annually $65,259,000. Sugar refiners with 50% excess refinery capacity on their hands due to wartime expansion have, until recently, resigned themselves to George W. Cobb's postwar philosophy: "Sugar will never taste as sweet again."

When alarmed producers finally consulted, curtailed, cooperated, failed to solve the problem, New York's Rudolph Spreckels proposed to the Sugar Institute a special laboratory to seek new outlets in industry, increased consumption through new sweetening uses, reduced refinery costs with fuller utilization of by-products. Conservative members of the Institute listened, assented, failed to cooperate when plans became concrete.

Determined, progressive, the Spreckels Sugar Corporation four months ago established its own research laboratory, has accomplished refinery improvements, increased the production of alcohol as a by-product, answered customer-service inquiries, is working on involved problems of research.

But experiments involving the use of sugar—only organic chemical known to modern man that is manufactured chemically on a tonnage basis—are not confined to the industry. In Grand Rapids, research over a period of seven years has resulted in a process for seasoning and preserving lumber which utilizes a sugar solution, accomplishes in weeks what heretofore required months.

In Brooklyn, citric acid, used in printing calico, is made from sucrose and sold on a commercial basis.

Glycerine, manufactured in Germany during the War with blackstrap molasses as a base, is another possibility of which at least one powder manufacturer has taken profitable advantage.

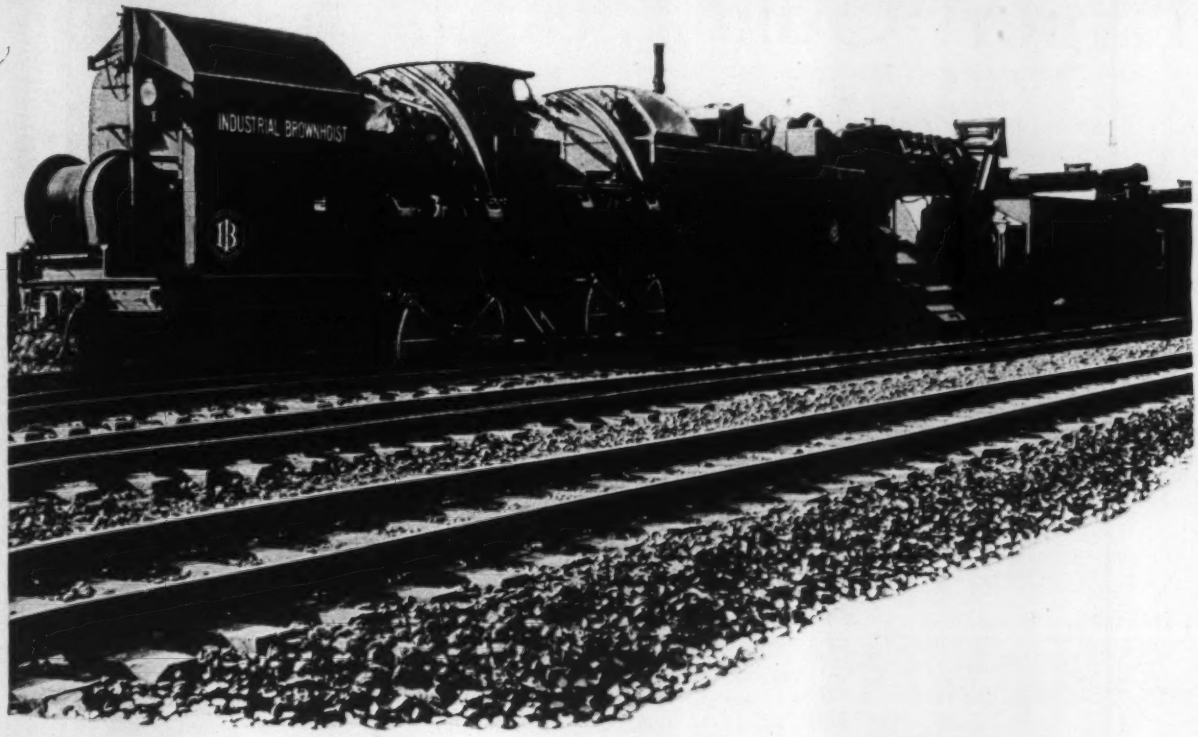
Preliminary experiments have resulted in the discovery that sugar can be made into a plastic substance easily molded, valuable as an insulator. Another experiment proved that sugar can be substituted successfully for glue in calcimine, sugar costing 6 cents a pound, glue, 15 cents. And finally, very creditable samples of artificial rubber have been produced from sugar, though so far purely on a laboratory basis.

Suggestive of sugar's potential worth is the list of possible industrial uses summarized recently by Ferdinand Kryz, Czechoslovakian research chemist, in *Zeitschrift fur die Zuckerindustrie*:

(1) Pharmaceutical—utilizing radioactivity of iodized sugar; (2) Perfumery—through utilization of certain esters; (3) Explosives—glycerine; (4) Synthetic dye stuffs.

While recently-established laboratories search for new uses of refined sugar, there remain two other outlets to be exploited: increased consumption, particularly in the countries of southern Europe (now using less than one-half United States per capita consumption), and in the Far East, especially China, where annual per capita consumption by the 400,000,000 inhabitants is less than five pounds compared with 113 in the United States; new uses as sweetening, one of the most interesting of which is flavored and delicately tinted sugar dominoes—lemon, orange, lime—for afternoon tea.

THIS IRON MONSTER



"vacuum cleans" the roadbed • •

for the smooth, swift run of the trains

LIKE A GIANT BULLFROG, it hunches itself along the railroad track, gobbling up stones. It's more talented by far than Mark Twain's famous "Dan'l," which, brim-full of shot, could scarcely "h'ist his shoulders."

If you caught a glimpse of this strange monster through the window of a Pennsylvania train, it might look to you like some prehistoric animal.

You would never think of it as affecting your own comfort. Yet its "mighty gobbling" is one of the chief reasons why you ride so smoothly.

As this huge machine moves steadily along the track, it scoops up the stones which ballast the roadbed. It shakes and sifts them clean of dirt. It dumps them out again and smooths them to the proper level . . . all in one operation!

Stone ballast must be most carefully cleaned and laid. Otherwise it would not drain well. Soft spots in the track would result; and these would tend to increase the swaying and vibration of moving cars. Clean, well-laid ballast means comfort in riding. Until a few years ago, ballast cleaning was slow and difficult work. It involved several separate operations. Now, after years of research and experimentation, this new machine moves over the rails, cleaning and re-laying the ballast in one continuous operation—and doing it at the rate of 1,200 feet an hour!

DAY AND NIGHT, over 30,000 Maintenance of Way men are working to perfect and condition the Pennsylvania's roadbed. In 1928, the purchase of 300,000 tons of steel rails was authorized—and 260,000 tons more in 1929. Much of this huge purchase is used for replacing the present heavy rails with yet heavier ones, so that the trains may glide even more smoothly . . . Like the Pennsylvania's whole army of 170,000 employees, the Maintenance of Way men are united in an effort to reach ever better standards of service.

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Export Gold Lies Off the Beaten Trails

Old Markets Are Always Good But New Ones Offer Special Opportunities To Pioneers In Foreign Trade

"LET the American interested in markets abroad get off the beaten trails. Do a little pioneering. Make his own discoveries. There is too much of a disposition to seek trade in the highly-industrialized countries—England, France, Germany, etc. Other people's needs are urgent; they can be met without heart-breaking competition."

This is the last word of export advice for American manufacturers voiced by Victor E. Freeman, veteran of foreign trade, who sailed on the *Berengaria* Friday, December 13 after a flying trip to this country to complete plans for the new Bush Service, Inc., providing complete foreign distribution service for American exporters (THE BUSINESS WEEK, Dec. 11).

Here is Mr. Freeman's preferred example of the opportunities that lie off the beaten paths of international trade—Jugo-Slavia.

"A country of 13,000,000 hard-working people," he says. "Farming and grazing are their principal means of living. When they harvest a good crop, there is plenty of money to spend. They have had a bumper crop this year. It happens that the Jugo-Slavs are interested in farm implements and tools like those used on American farms. They are in about the same position farmers of the West were in before the coming of the railroads and speedy distribution.

"Here is a market for all sorts of American farm equipment. They need machinery for roads. When the primitive highways are improved the sale of automobiles will increase. Mines and timber lands are waiting to be worked. American machinery can be put on these jobs. Along the Adriatic are fourteen deep-water harbors. None of them has dock or shop facilities where ships can have their hulls and engines properly repaired.

"Hungary is another country with rich black farm land and millions of hard-working people. Roumania is another. The important point is that new markets can be created in such localities. If you sell there you are not taking business from some other firm or some other country—you are uncovering new business that helps develop stagnant resources."

There is another side. Mr. Freeman remembers that "trade" originally meant barter. The swapping of a bushel of wheat for a knife; the exchange of a fur pelt for a string of beads. He urges the establishment of a healthy import trade from Europe; says it should be the desire of the American manufacturer to make the foreign demand for American goods effective by maintaining buying power abroad.

"There still remain, unfortunately, many American manufacturers who believe it possible to sell the increasing American surplus in Europe while denying the European manufacturer a similar outlet to the American market. They would drain their foreign market of cash and withhold from them equivalent trade to replenish their own wealth.

"America does not need dollars from Europe. It needs active and prospering customers in all the countries of Europe."

Mr. Freeman is an American, was formerly in the textile business in New York. Following the war he built up his own distributing chain to serve every country in Europe and Asia Minor except Russia. This service, now known as Lassen & Company, has been linked with the Bush interests to take over the complete job of handling for American manufacturers the intricacies of shipping, packing, warehousing, billing and collecting on foreign sales.

The man who is to undertake this man's-size job is not physically big, but wide shoulders and a deep chest give an impression of physical competence. His eyes are blue, humorous, and questioning. A guess would put his age half-way between 50 and 60. There is an accent to his English hard to identify: it is as if he had dealt with so many countries and languages that the articulation of his own tongue had become uncertain.

But there is no hesitation in his expression of opinion. The opinions that have here been quoted were delivered with machine-gun rapidity in the few, flying moments that intervened between his interviewer's entry and the time when his secretaries finally protested that the *Berengaria* was no respecter of late passengers and Mr. Freeman's ten-day visit came to an end.

Wide Reading

WHAT IS ON THE CORPORATE CHRISTMAS TREE? William Knodel. *Magazine of Wall Street*, December 14. Some favorable developments on the business horizon for industries and investors.

TRANSPORTATION'S URGENT NEEDS ANALYZED. *S. A. E. Journal*, December. Annual transportation meeting number.

SOVIET INDUSTRIAL TRUSTS. Professor S. A. Kotliarevsky. *Economic Review of the Soviet Union*, December 1. Trusts, à la Soviet, the theories behind their changing status, their effectiveness in Russian economic growth.

THE SACRED RADIO TRUST. Paul Y. Anderson. *Nation*, December 18. "Confidences" discovered by the inquiring reporter bares unholy delusions concerning Radio and the Cruiser program.

MAN POWER—THE MOST IMPORTANT THING IN EXPANSION. *Printers' Ink*, December 12. Current talk about a Sears, Roebuck-Penney combination brings up a big question in management.

DIESEL ENGINES ARE SHOWN IN ELEVEN CHASSIS AT PARIS SHOW. W. F. Bradley. *Automotive Industries*, December 7. Lowering of fuel costs on the Continent indicated in growing use of new engine.

SOCIALIST COMPETITION. *Soviet Union Review*, December. Industry races with the Five-Year Plan for production. All Russia is playing the game. Something for employers to read—and consider.

HOBBIES AID NERVES. Uthai Vincent Wilcox. *Forbes*, December 15. If you are "jumpy," try working at a hobby.

THE BREAK IN THE CREDIT CHAIN. Edgar Lawrence Smith. *Atlantic*, January. Dangers that lurk in customer's borrowings from stockbrokers.

BOOKS

HAND-TO-MOUTH BUYING. Leverett S. Lyon. Brookings Institution, 487 pp., 300 charts, tables, $4. Scholarly and authoritative study; facts from food, drug and dry goods retail trades and iron, textile, coal and other supplying industries. Reports results of searching inquiry into trends, with a final chapter discussing permanency of new conditions. Chosen by the Business Book League as outstanding business book for December.

SCIENTIFIC MANAGEMENT IN AMERICAN INDUSTRY. Taylor Society. Harper, 479 pp., $6. Fundamental philosophy and technique of scientific management as founded by Taylor presented in modern dress by a group of management experts. Useful in dispelling too prevalent belief that scientific management means "efficiency engineers," multitudinous forms, and much hoopla.

ELECTRICAL UTILITIES: THE CRISIS IN PUBLIC CONTROL. William E. Mosher. Harper, 335 pp., $4. Government ownership or regulation of interests of controlling stockholders? Study by Syracuse University's School of Citizenship and Public Affairs.

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The Week's Trend In Business Thinking

A MOORING TOWER for dirigibles with a built-in landing platform for transatlantic passengers, the whole soaring 1300 feet above the street, is announced by Alfred E. Smith for New York's new Empire State building. The mast will reach 270 feet higher than the Chrysler Tower, 300 feet higher than the Eiffel Tower in Paris. It will top a building with 3,000,000 square feet of floor space providing offices for 60,000 persons—equal to the entire population of Fresno, Topeka, or Hoboken.

ALONG a slightly different line are the comments of Francis Keally in the current *American Architect*:

"Quite evidently aviation means new solutions of city planning problems and the drafting of new zoning regulations that will take into consideration the angle of flight that must inevitably influence the height of buildings erected within the airport zone.

"The heights of such buildings should be governed by the angle of safe gliding and taking off for planes. This angle is given by the ratio of 7:1. Thus for every foot in height, the building will be set back from the airport 7 feet. A high structure similar to the Woolworth Building, 792 feet, would have to be set back 5,544 feet. This will make a cross-section of airports and the surrounding buildings similar to that of the Yale Bowl, for the buildings will rise from the field like stepped terraces."

THERE are other angles which determine the heights of buildings. In a private conference recently, Harvey Wiley Corbett, internationally known architect and building counsellor, said: "The skyscraper will come to Europe—is there in a few large centers—but it will never reach the height it has reached in New York and Chicago. And one significant reason is the angle-of-light in all of the largest European centers—London, Hamburg, Berlin, Amsterdam, Paris, Vienna. New York building heights could not be approached without making the streets in these cities dingy canyons, unless they were zoned so that there would be only one high building in a given area. Madrid, Naples, Constantinople are in the approximate latitude of New York and Chicago. London and Berlin are in the latitude of the southern part of Hudson Bay.

TO gain a similar end, despite the better angle-of-light in this country, air rights to existing buildings are of late frequently entering real estate deals. When the Harriman Building, New York, was bought by the Fred F. French Operators, Inc., the air rights of the building on the south side of the structure were also purchased. The idea is that this makes impossible the erection of a building that will cut off light.

A FINANCIAL problem is arising in this new value of the air. Air rights have jumped in value since the Grand Central development in New York, the Chicago Daily News and the Merchandise Mart buildings of Chicago, and the Elverson building in Philadelphia have been built above ground they do not own. Without carefully regulated zoning restrictions, builders in American cities are going to have to protect their sunlight by buying air rights, which in turn are rising with real estate values. One alternative, windowless buildings, has found no support.

"NEW worlds to conquer" does not fit today's business outlook. Russia, rapidly jumping into the Big Customer list, is not conquered. Salesmanship is reversed. The Soviet seeks products through her national import associations.

Not so with Italy and Turkey, says John A. Zellars, vice-president of Remington Rand, just returned from semi-annual survey of European offices. Salesmanship still counts, though new demands are for facility, speed, and accuracy which are the greatest factors. In all these countries, labor is cheap and plentiful. But enough people to do the work machines can now accomplish would make administration unwieldy.

Strangely enough, unexpected markets in Russia and Turkey, like fingers that reach down into new Eastern territories, have opened new fields to American business. America's export opportunities, definitely cramped in certain countries, notably Switzerland because of tariff ill-will and excessive nationalism, are finding outlets in regions heretofore considered "on the fringe."

SWIFT SURVEY OF BUSINESS ABROAD

EUROPE

By Special Cable to The Business Week

CONTINUED spotty business conditions with increasing depression in Germany and through Eastern and Southeastern countries. International steel cartel continues its present reduced quotas for the next quarter.

By Special Cable to The Business Week

England—Business is quiet, but not depressed, and there is promise of general new year revival. Amalgamation of Margarine Unie with Lever Brothers becomes effective on January 1 and combines Europe's two largest users of animal and vegetable oils. Domestic steelmakers establish centralized organization for export sales of plates, shapes, and profiles. The Government coal bill which provides for reduction from 8- to 7½-hour working day and coordination of production and minimum price is considered inadequate to reconcile inefficient industry with reasonable working conditions and world markets. Significance is attached to the arrival in London of the Soviet ambassador, Sokolnikoff.

By Special Cable to The Business Week

France—Business is still good, but the price level on domestic products is rising. Nothwithstanding the strong Tardieu leadership, there is considerable political uncertainty.

By Special Cable to The Business Week

Germany—The government crisis is postponed pending the outcome of the Young Plan conference when issues concerning financial policies and administration come to a head. The Dillon Read loan of $15,000,000 to the city of Berlin fails to materialize when Dr. Schacht disapproves 8.6% cost—interpreted by German bankers to mean that Dr. Schacht wants to shift to Morgan interests. Press reports state that Reichsbank offers Berlin a short term loan of RM 61,000,000 which would enable the city to meet uncovered month-end obligations, this loan conditional on a 25% increase in municipal carfare and electric current rates, a 33% increase in water rates, and a 12% gas rate increase, all to be effective January 1. The German treasury is also expected to conclude a short term American loan for the same purpose. Bata, with production at 60,000 pairs of shoes in its Czechoslovakian factory, announces it will establish a factory in Germany to serve the local market and to supply new export demand. German-Polish agricultural organizations agree to establish a joint rye export organization and stabilize at higher levels prices now below production cost due to bumper crops.

By Special Cable to The Business Week

Austria—Parliament authorizes the Chancellor to negotiate $100,000,000 investment loan against mortgage of federal income; also to negotiate a preliminary short term loan.

By Special Cable to The Business Week

Sweden—Business is very strong following record exports of timber, pulp, iron ore, and good crops, notwithstanding some decline in steel machinery activity. Local security values are virtually unaffected by world depression.

By Special Cable to The Business Week

Turkey—As a result of the country's pre-tariff spending orgy, markets are overbought for at least four months. To check incipient currency depreciation the Bourse has adopted a policy of exchange control and is temporarily refusing purchase rights on sterling and dollar exchange.

FAR EAST

U. S. Dept. of Commerce

China—Usual Manchurian prosperity jeopardized by weakening position of Governor Chang at Mukden. Some stimulus to trade in 20% rate reduction on farm products moving over Peiping-Mukden railway. Through traffic over Peiping-Hankow and Tientsin-Pukow lines still impossible. Both import and export trade is slack at Shanghai. Disruption of rail and water transportation, coupled with general uneasiness due to military disturbances, has checked the movement of all commodities to and from interior points. Resumption of normal movement is not anticipated until after the Chinese New Year—in February.

U. S. Dept. of Commerce

Japan—Government is considering transfer to private owners of industries under its control. Holiday trade is small and business generally slow, due to political uncertainty attending forthcoming session of the Diet and approaching removal of gold embargo.

U. S. Dept. of Commerce

Philippines—Some improvement is evident in the general situation and textiles are expected to revive somewhat after the lull during the year-end holiday season. Heavy rainfall has brought the rice crop forecast to "equal to or better than last year."

LATIN AMERICA

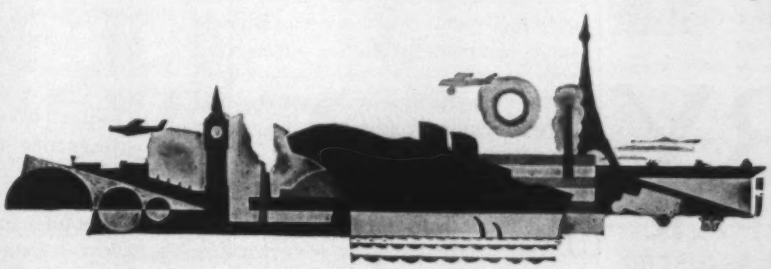
U. S. Dept. of Commerce

Mexico—President has agreed to arbitrate strike on Mexican railway, but shipments from Vera Cruz to interior have been delayed and congestion soon will interfere with ships discharging cargo. New tariff will become effective January 1, reducing duties on motor cars but increasing rates on iron, steel, brass, batteries and some electrical items.

Argentina—Closing of Caja de Conversión checks the country off the gold standard list—the first country officially to go off the gold standard since the War.

U. S. Dept. of Commerce

Brazil—Exchange is firmer owing to free sale of dollar drafts but as the ability of the Banco do Estado de Sao Paulo to continue this policy is limited, further decline is probable unless gold is exported or additional loans are received from abroad. Import trade is slack and the outlook is discouraging. New bankruptcy law effective in Rio December 16, and in Sao Paulo January 10, provides minimum of 40% for cash settlement of compositions, up to minimum of 60% for settlements payable in two years.



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TREND *and* TEMPO

By Robert R. Updegraff

IN Wall Street one day last week I met my good friend K. H., who observed as we walked a block together, "I read your word-picture of modern America in THE BUSINESS WEEK. I would not set myself up as a prophet, but I have been wondering if the next line in your picture may not be 'Culture.' It strikes me that comfort and leisure lead naturally to culture."

This addition would make the picture read:

Life	Life	Life
Speed	Speed	Speed
Money	Money	Money
Profits	Profits	Profits
Comfort	Comfort	Comfort
Leisure	Leisure	Leisure
Culture	Culture	Culture

What do other readers think about it? Is our new comfort and leisure going to lead to culture—or to laziness?

▼

HAVE you given any thought to the why of the movement in business for 16 or 17 vice-presidents? At first it seems a bit ridiculous. But is it?

In the earlier days of business, men went in for themselves and built up their own enterprises, some small, some sizable. The multiplication of vice-presidents is Management's attempt to re-establish the early days. Departmental or functional units take the place of a complete business, but they give each vice-president a sense of running a complete section or function of the enterprise, with a label that tells the world of his importance to the business.

Thus has a system been devised for creating the psychological value of the old individual business. This system keeps able men on the job—men who, with lesser titles and less clearly defined responsibilities, would be restless and unhappy enlisted under any banner other than their own.

▼

IN Minneapolis last week I spent a most interesting hour with that rare spirit, Fred Murphy, publisher of the *Minneapolis Tribune*. The industrial East does not know Fred Murphy very well—yet; but in the agricultural Northwest he is an outstanding figure. He has done things for that section of the country which put him in the empire-builder class.

Murphy is effective because he deals in ideas, and behind these ideas he puts courage, drive, faith—and his own personal fortune when needed. To talk with him—he is one of those quiet men, human, kindly, lovable—gives new faith in one's country and countrymen.

One point of view brought out by Mr. Murphy, in connection with the farm tariff is particularly pertinent at this time. "American industry says it must have new outlets abroad," says Murphy. "Has it ever occurred to our industrial leaders that the greatest and richest potential market in the world lies in the interior of a country called the United States—along a valley called the Mississippi?

"Has it ever occurred to our industrial leaders that a doubling of the buying power of this region—by the fulfillment of the Republican party's pledges to agriculture of 'parity' with other industries, which would increase the farm income about six billions of dollars—would do more to insure industry's continued expansion and prosperity than anything else the country could do?"

A simple question, asked by a quiet man. Well worth pondering.

▼

OBSERVING the telegraph companies' success in selling communication service for Christmas by the device of printing holly borders on their telegram blanks, the Pennsylvania Railroad has this year adapted the holly design to its railroad tickets to promote the idea of giving trips as Christmas presents.

Surely this is in the modern tempo. Travel makes an exceedingly attractive Christmas gift, and one wonders why it has taken so long to think of putting it up in holiday form.

You wouldn't send an errand boy to greet the president

A LARGE manufacturing concern, doing business in every section of the United States, recently asked the Paper Users' Standardization Bureau to make an analysis of the papers used in its various departments.

The company was sending out hundreds of letters daily. Some were expected to make new contacts, others to keep old accounts satisfied, still others to transact routine business, quote prices, accept orders, or furnish information. And all the firm's letterheads were printed on one grade of paper—a popular-priced sulphite bond.

It is certain that no executive of this concern would for a moment consider sending an errand boy out to greet the president of a firm with which he hoped to do business. And yet, an obviously cheap and flimsy letterhead was permitted to represent the company in customers' offices every day.

Too, frequently in American business, the executive who is infallible in his selection of *men* for important missions neglects entirely the choice of *paper*, and as a result, letters fail to accomplish their purpose. In this particular case the Paper Users' Standardization Bureau recommended two grades of paper: for executive and sales department letterheads, a 100% rag bond, with strength, beauty and dignity that left no doubt of its quality; for other letters going to outside offices, a medium-priced part-rag bond paper.

The slight addition in the cost of letterheads was more than made up by the economies which standardization effected in other departments. A total saving of several thousand dollars a year was made possible by using the right paper for each purpose, and the firm's office routine gained in efficiency.

This case has been closely paralleled in practically every one of the hundreds of standardizations made by the Bureau for large companies.

The American Writing Paper Company, Incorporated, is unique among the great paper manufacturers in that it makes not one or two or three kinds of paper but *all* the kinds used in business. Through the Paper Users' Standardization Bureau it can offer business men unprejudiced assistance in applying efficient standards to the papers they use.

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EDITORIAL PAGE

THE BUSINESS WEEK—A McGRAW-HILL PUBLICATION

In the Soothsayers' Season

ALONG with its crop of Christmas presents the end of the year brings its inevitable harvest of business prophecies. Both are usually pleasant. Even though the Christmas presents be lacking it is hard at the winter solstice to avoid the feeling that in a little while the sun is sure to be brighter, the days longer and the nights shorter. That optimism inevitably reflects itself in the things that business men say in year-end reviews and forecasts. No doubt this hopefulness will be especially strong this year, for it is the more needed.

Although it is usual to do so, it is not so smart to smile at the sanguine temperament of the Christmas soothsayer. We all recognize that as a science, business forecasting is a somewhat primitive affair. Attempts to foretell the future of business are likely to be little more than expressions of a wish or a fear. Business is still too much a human and too little a mechanical matter to lend itself as yet to sure or scientific prophecy. The best of these seers are right about the future course of business less than two-thirds of the time.

The hopeful business man is likely to be right about the future at least as often as the wizard with sliderules and charts. There is at least as good a chance that business may be fairly prosperous in any next year as that it won't. In fact the chances are somewhat better. Changes in the fundamental conditions of business are far slower and more gradual than we commonly imagine. If these fundamentals are sound one year they are not likely to see very much change in the next.

Moreover, business life has the quality of all nature: it is self-restorative, self-healing. Most of its ailments and misfortunes are self-limited: the doctors can do nothing more than give natural economic forces a chance to operate to repair waste and restore health. So the individual business intelligence upon which prosperity depends is moved by a natural momentum to carry on as usual. The sum total of all these hopes and efforts is a vast force which makes fairly sure that business cannot long swerve from its regular orbit.

All these considerations serve to lend a good deal of wisdom to the seasonal optimism of the business forecasts. The irresistible tide of things bears up the man who believes that the future may very well be somewhat better. All that the pessimist accomplishes is to paralyze the power to act at all, for better or for worse.

The Christmas optimist may not always turn out to be correct, but he has life and the law of averages on his side.

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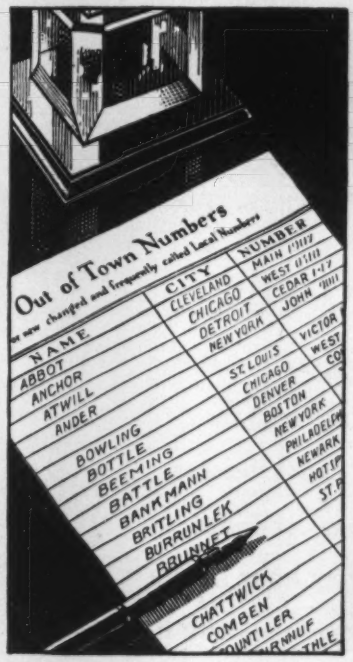
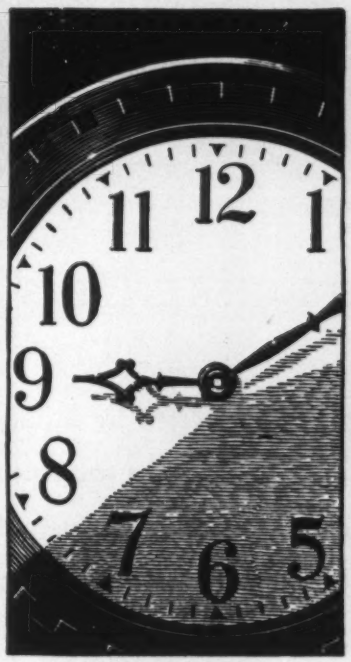
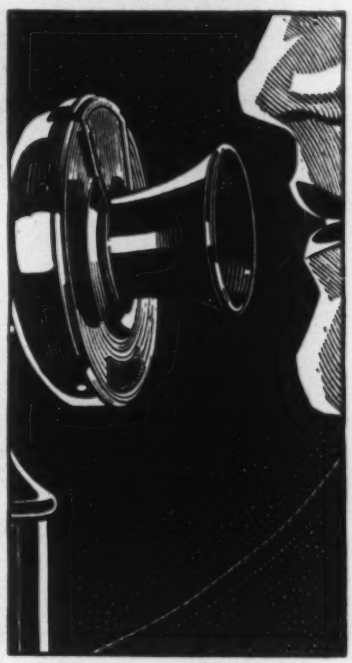
3 simple Suggestions for Telephoning between Cities



Call by number, whenever you can



Call during the less crowded hours of the business day



Speak distinctly and directly into the mouthpiece

Here are three simple suggestions that are almost sure to help you in getting the most out of your telephone calls between near and distant towns.

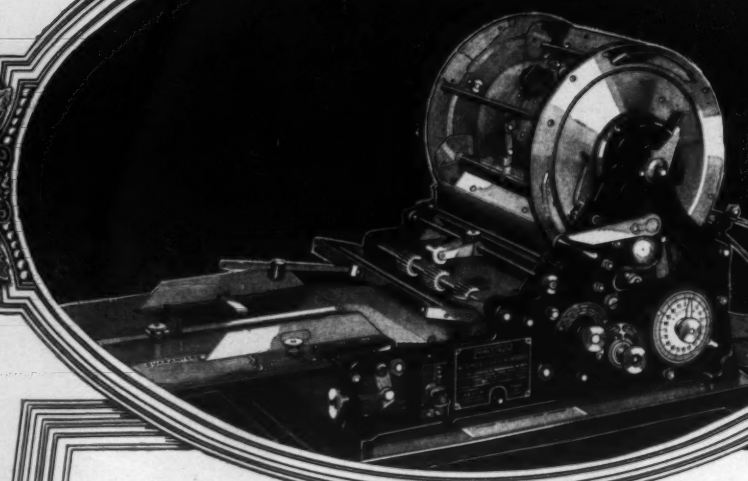
Call by number, whenever you can; it will save your time. It is useful to know the number, especially for calls that you may make frequently. "Information" will gladly give you the number of any person or concern you wish, so that you can make a note of it for the future. It is a convenience to your customers to print your own telephone number on your letterhead.

Make your calls when the men you want to reach are likely to be less busy. Try calling before 9.30 in the morning, between noon and 2, or shortly after 4.

Third, speak distinctly into the telephone, keeping your lips close to the mouthpiece. A natural speaking voice such as you use in talking to a man across your desk makes distant calls as clear as local calls.

Remembering these three points will make your telephone service easier and better than ever.

Inter-city calls are ideal for making appointments. Following up visits. Clearing away misunderstandings. Completing buying and selling transactions. Bell Telephone Service is *Convenient . . . Economical . . . Universal.*



IN THE CHRISTMAS RUSH

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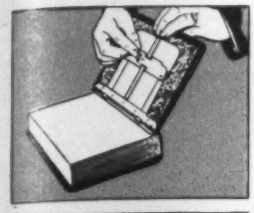
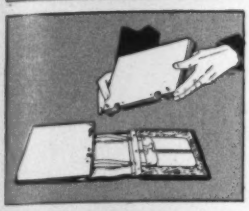
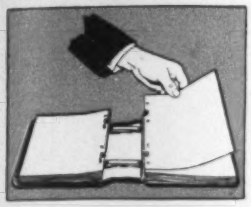
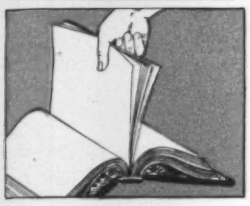
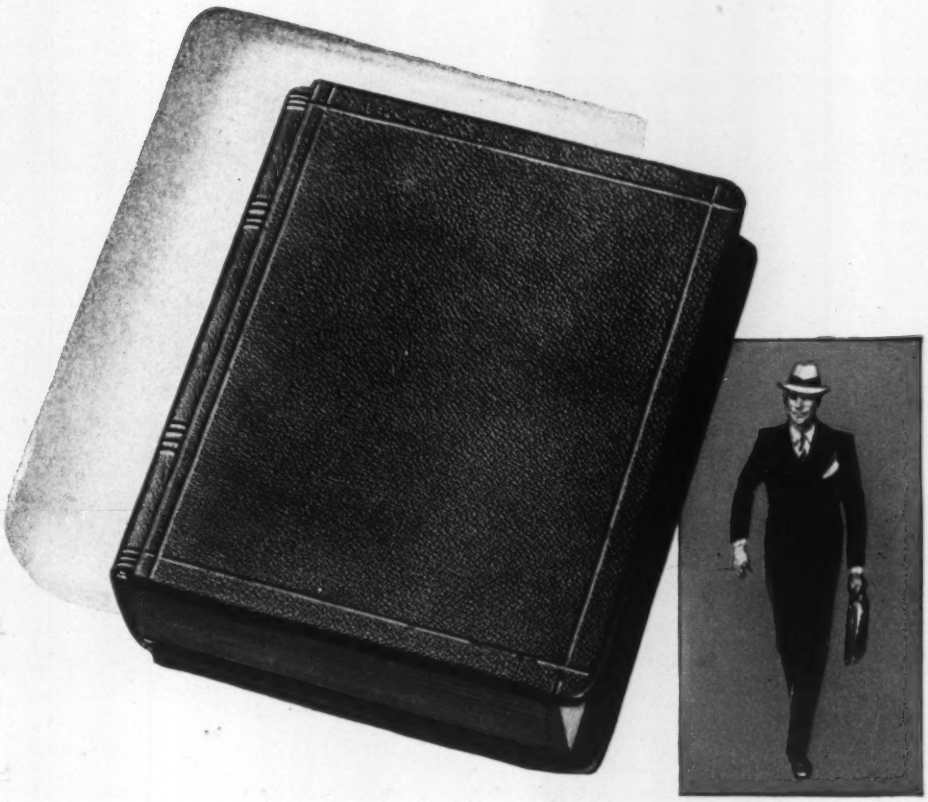








Four great selling points of this binder



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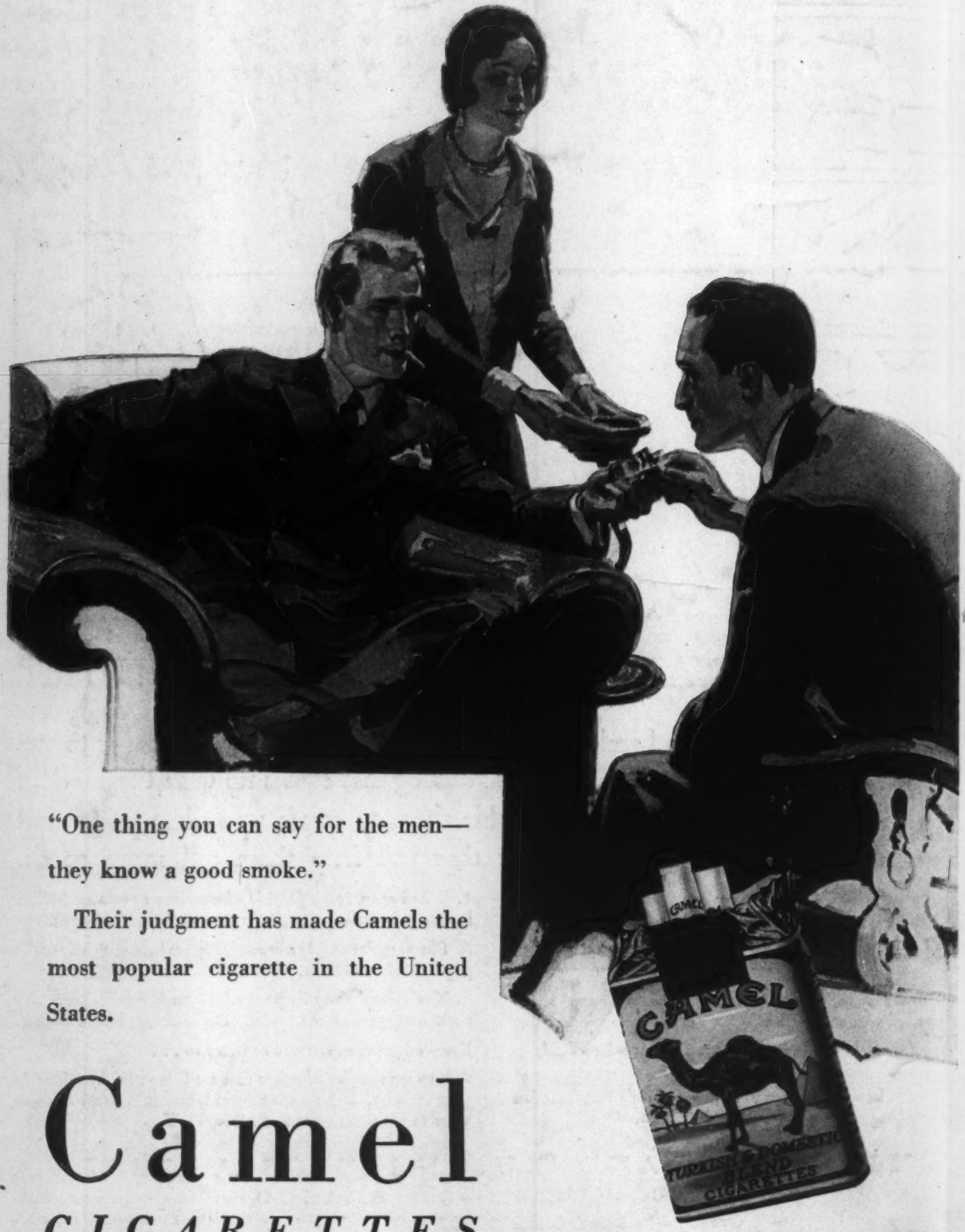

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